

**Side-by Side Comparison of H.868**

5/2/16 @ 2:00 pm

*Sections highlighted in yellow address the same subject but with differences highlighted in yellow within the text*

*Sections highlighted in turquoise are identical*

Subject	Sec. Senate/House		As Passed Senate	As Passed House
VEDA – Legislative Board Member	-	A.1	[Reserved.]	<p>Sec. A.1. 10 V.S.A. § 213 is amended to read:                      § 213. AUTHORITY; ORGANIZATION                      (a) The Vermont Economic Development Authority is hereby created and established as a body corporate and politic and a public instrumentality of the State. The exercise by the Authority of the powers conferred upon it in this chapter constitutes the performance of essential governmental functions.                      (b)(1) The Authority shall have <del>15</del> up to 16 voting members consisting of:                      (A) the Secretary of Commerce and Community Development, the State Treasurer, the Secretary of Agriculture, Food and Markets, the Commissioner of Forests, Parks and Recreation, and the Commissioner of Public Service, each of whom shall serve as an ex officio member, or a designee of any of the aforementioned; <del>and</del>                      (B) up to 10 members, who shall be residents of the State of Vermont, appointed by the Governor with the advice and consent of the Senate. <del>The appointed members shall be appointed for terms of six years and until their successors are appointed and qualified. Appointed members may be removed by the Governor for cause and the Governor may fill any vacancy occurring among the appointed members for the balance of the unexpired term; and</del>                      (C) one member, who is a current member of the Vermont General Assembly, appointed jointly by the Speaker of the House of Representatives and the President Pro Tempore of the Senate, who shall serve a term of six years or until he or she is no longer a member of the General Assembly, whichever occurs sooner.                      (2)(A) An appointing authority may remove a member for cause.                      (B) The Governor may fill a vacancy for the balance of the unexpired term.                      (C) The Speaker and President Pro Tempore may jointly fill a vacancy by appointing a member of the General Assembly to a new six-year term.</p> <p style="text-align: center;">* * *</p>
VEDA – Delegation to Loan Officers; Review; Approval	A.2.	A.2	As Passed House and Senate	As Passed House and Senate
VEDA – Program Cap	A.3	A.3	As Passed House and Senate	As Passed House and Senate
VEDA – Transfer from Indemnification Fund	A.4	A.4	As Passed House and Senate	As Passed House and Senate

<p><b>VEDA – Inter-fund transfer from Vermont Jobs Fund to Ag Credit Program</b></p>	<p>A.5</p>	<p>Sec. A.5. 10 V.S.A. § 234 is amended to read:                  § 234. THE VERMONT JOBS FUND                  * * *</p> <p>(c) Monies in the Fund may be loaned to the Vermont Agricultural Credit Program to support its lending operations as established in chapter 16A of this title at interest rates and on terms and conditions to be set by the Authority to establish a line of credit in an amount not to exceed <del>\$60,000,000.00</del> <u>\$100,000,000.00</u> to be advanced to the Vermont Agricultural Credit Program to support its lending operations as established in chapter 16A of this title.</p> <p>* * *</p>	<p>Sec. A.5. 10 V.S.A. § 234 is amended to read:                  § 234. THE VERMONT JOBS FUND                  * * *</p> <p>(c) Monies in the Fund may be loaned to the Vermont Agricultural Credit Program to support its lending operations as established in chapter 16A of this title at interest rates and on terms and conditions to be set by the Authority to establish a line of credit in an amount not to exceed <del>\$60,000,000.00</del> to be advanced to the Vermont Agricultural Credit Program to support its lending operations as established in chapter 16A of this title.</p> <p>* * *</p>
<p><b>VEDA – Adding Forest Products; Single Borrow Limit; Loan Eligibility, Collateral, Terms</b></p>	<p>A.6</p>	<p>Sec. A.6. 10 V.S.A. chapter 16A is amended to read:                  CHAPTER 16A. VERMONT AGRICULTURAL CREDIT PROGRAM                  § 374a. CREATION OF THE VERMONT AGRICULTURAL CREDIT PROGRAM</p> <p>(a) There is created the Vermont Agricultural Credit Program, which will provide an alternative source of sound and constructive credit to farmers <u>and forest products businesses</u> who are not having their credit needs fully met by conventional agricultural credit sources at reasonable rates and terms. The Program is intended to meet, either in whole or in part, the credit needs of eligible agricultural facilities and farm operations in fulfillment of one or more of the purposes listed in this subsection by making direct loans and participating in loans made by other agricultural credit providers:</p> <p>* * *</p> <p>(b) No borrower shall be approved for a loan from the corporation that would result in the aggregate principal balances outstanding of all loans to that borrower exceeding the then-current maximum Farm Service Agency loan guarantee limits, or <del>\$2,000,000.00</del> <u>\$5,000,000.00</u>, whichever is greater.</p> <p>§ 374b. DEFINITIONS                  As used in this chapter:</p> <p>(1) “Agricultural facility” means land and rights in land, buildings, structures, machinery, and equipment which is used for, or will be used for producing, processing, preparing, packaging, storing, distributing, marketing, or transporting agricultural <u>or forest</u> products which have been primarily produced in this State, and working capital reasonably required to operate an agricultural facility.</p> <p>(2) “Agricultural land” means real estate capable of supporting commercial farming or forestry, or both.</p> <p>(3) “Agricultural products” mean crops, livestock, forest products, and other farm or forest commodities produced as a result of farming or forestry activities.</p> <p>(4) “Farm ownership loan” means a loan to acquire or enlarge a farm or agricultural facility, to make capital improvements including construction, purchase, and improvement of farm and agricultural facility buildings that can be made fixtures to the real estate, to promote soil and water conservation and protection, and to refinance indebtedness incurred for farm ownership or operating loan purposes, or both.</p>	<p>Sec. A.6. 10 V.S.A. chapter 16A is amended to read:                  CHAPTER 16A. VERMONT AGRICULTURAL CREDIT PROGRAM                  § 374a. CREATION OF THE VERMONT AGRICULTURAL CREDIT PROGRAM</p> <p>(a) There is created the Vermont Agricultural Credit Program, which will provide an alternative source of sound and constructive credit to farmers <u>and forest products businesses</u> who are not having their credit needs fully met by conventional agricultural credit sources at reasonable rates and terms. The Program is intended to meet, either in whole or in part, the credit needs of eligible agricultural facilities and farm operations in fulfillment of one or more of the purposes listed in this subsection by making direct loans and participating in loans made by other agricultural credit providers:</p> <p>* * *</p> <p>(b) <del>No borrower shall be approved for a loan from the corporation that would result in the aggregate principal balances outstanding of all loans to that borrower exceeding the then-current maximum Farm Service Agency loan guarantee limits, or \$2,000,000.00, whichever is greater.</del> <u>[Repealed.]</u></p> <p>§ 374b. DEFINITIONS                  As used in this chapter:</p> <p>(1) “Agricultural facility” means land and rights in land, buildings, structures, machinery, and equipment which is used for, or will be used for producing, processing, preparing, packaging, storing, distributing, marketing, or transporting agricultural <u>or forest</u> products which have been primarily produced in this State, and working capital reasonably required to operate an agricultural facility.</p> <p>(2) “Agricultural land” means real estate capable of supporting commercial farming or forestry, or both.</p> <p>(3) “Agricultural products” mean crops, livestock, forest products, and other farm or forest commodities produced as a result of farming or forestry activities.</p> <p>(4) “Farm ownership loan” means a loan to acquire or enlarge a farm or agricultural facility, to make capital improvements including construction, purchase, and improvement of farm and agricultural facility buildings that can be made fixtures to the real estate, to promote soil and water conservation and protection, and to refinance indebtedness incurred for farm ownership or operating loan purposes, or both.</p>

		<p>(5) "Authority" means the Vermont Economic Development Authority.</p> <p>(6) "Cash flow" means, on an annual basis, all income, receipts, and revenues of the applicant or borrower from all sources and all expenses of the applicant or borrower, including all debt service and other expenses.</p> <p>(7) "Farmer" means an individual directly engaged in the management or operation of an agricultural facility or farm operation for whom the agricultural facility or farm operation constitutes two or more of the following:</p> <p>(A) is or is expected to become a significant source of the farmer's income;</p> <p>(B) the majority of the farmer's assets; and</p> <p>(C) an occupation in which the farmer is actively engaged, either on a seasonal or year-round basis.</p> <p>(8) "Farm operation" shall mean the cultivation of land or other uses of land for the production of food, fiber, horticultural, silvicultural, orchard, maple syrup, Christmas trees, forest products, or forest crops; the raising, boarding, and training of equines, and the raising of livestock; or any combination of the foregoing activities. Farm operation also includes the storage, preparation, retail sale, and transportation of agricultural or forest commodities accessory to the cultivation or use of such land.</p> <p>(9) <u>"Forest products business" means a Vermont enterprise that is primarily engaged in managing, harvesting, trucking, processing, manufacturing, crafting, or distributing products derived from Vermont forests.</u></p> <p>(10) "Livestock" shall mean cattle, sheep, goats, equines, fallow deer, red deer, reindeer, American bison, swine, poultry, pheasant, chukar partridge, coturnix quail, ferrets, camelids and ratites, cultured trout propagated by commercial trout farms, and bees.</p> <p><del>(10)</del>(11) "Loan" means an operating loan or farm ownership loan, including a financing lease, provided that such lease transfers the ownership of the leased property to each lessee following the payment of all required lease payments as specified in each lease agreement.</p> <p><del>(11)</del>(12) "Operating loan" means a loan to purchase livestock, farm or forestry equipment, or fixtures to pay annual operating expenses of a farm operation or agricultural facility, to pay loan closing costs, and to refinance indebtedness incurred for farm ownership or operating loan purposes, or both.</p> <p><del>(12)</del>(13) "Program" means the Vermont Agricultural Credit Program established by this chapter.</p> <p><del>(13)</del>(14) "Project" or "agricultural project" means the creation, establishment, acquisition, construction, expansion, improvement, strengthening, reclamation, operation, or renovation of an agricultural facility or farm operation.</p> <p><del>(14)</del>(15) "Resident" means a person who is or will be domiciled in this State as evidenced by an intent to maintain a principal dwelling place in the State indefinitely and to return there if temporarily absent, coupled with an act or acts consistent with that intent, including the filing of a Vermont income tax return within 18 months of the application for a loan under this chapter. In the case of a limited liability company, partnership, corporation, or other business entity, resident means a business entity formed under the laws of Vermont, the majority of which is owned and operated by Vermont</p>	<p>(5) "Authority" means the Vermont Economic Development Authority.</p> <p>(6) "Cash flow" means, on an annual basis, all income, receipts, and revenues of the applicant or borrower from all sources and all expenses of the applicant or borrower, including all debt service and other expenses.</p> <p>(7) "Farmer" means an individual directly engaged in the management or operation of an agricultural facility or farm operation for whom the agricultural facility or farm operation constitutes two or more of the following:</p> <p>(A) is or is expected to become a significant source of the farmer's income;</p> <p>(B) the majority of the farmer's assets; and</p> <p>(C) an occupation in which the farmer is actively engaged, either on a seasonal or year-round basis.</p> <p>(8) "Farm operation" shall mean the cultivation of land or other uses of land for the production of food, fiber, horticultural, silvicultural, orchard, maple syrup, Christmas trees, forest products, or forest crops; the raising, boarding, and training of equines, and the raising of livestock; or any combination of the foregoing activities. Farm operation also includes the storage, preparation, retail sale, and transportation of agricultural or forest commodities accessory to the cultivation or use of such land.</p> <p>(9) <u>"Forest products business" means a Vermont enterprise that is primarily engaged in managing, harvesting, trucking, processing, manufacturing, crafting, or distributing products derived from Vermont forests.</u></p> <p>(10) "Livestock" shall mean cattle, sheep, goats, equines, fallow deer, red deer, reindeer, American bison, swine, poultry, pheasant, chukar partridge, coturnix quail, ferrets, camelids and ratites, cultured trout propagated by commercial trout farms, and bees.</p> <p><del>(10)</del>(11) "Loan" means an operating loan or farm ownership loan, including a financing lease, provided that such lease transfers the ownership of the leased property to each lessee following the payment of all required lease payments as specified in each lease agreement.</p> <p><del>(11)</del>(12) "Operating loan" means a loan to purchase livestock, farm or forestry equipment, or fixtures to pay annual operating expenses of a farm operation or agricultural facility, to pay loan closing costs, and to refinance indebtedness incurred for farm ownership or operating loan purposes, or both.</p> <p><del>(12)</del>(13) "Program" means the Vermont Agricultural Credit Program established by this chapter.</p> <p><del>(13)</del>(14) "Project" or "agricultural project" means the creation, establishment, acquisition, construction, expansion, improvement, strengthening, reclamation, operation or renovation of an agricultural facility or farm operation.</p> <p><del>(14)</del>(15) "Resident" means a person who is or will be domiciled in this State as evidenced by an intent to maintain a principal dwelling place in the State indefinitely and to return there if temporarily absent, coupled with an act or acts consistent with that intent, including the filing of a Vermont income tax return within 18 months of the application for a loan under this chapter. In the case of a limited liability company, partnership, corporation or other business entity, resident means a business entity formed under the laws of Vermont, the majority of which is owned and operated by Vermont</p>
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			<p>residents who are natural persons. * * *</p> <p>§ 374h. LOAN ELIGIBILITY STANDARDS A farmer, or a limited liability company, partnership, corporation, or other business entity the majority ownership of which is vested in one or more farmers, shall be eligible to apply for a farm ownership or operating loan, provided the applicant is: * * *</p> <p>(4) an operator or proposed operator of an agricultural facility, <del>or</del> farm operation, <u>or forest products business</u> for whom the loan reduces investment costs to an extent that offers the applicant a reasonable chance to succeed in the operation and management of an agricultural facility or farm operation; * * *</p> <p>(7) able to demonstrate that the applicant is responsible and able to manage responsibilities as owner or operator of the farm operation, <del>or</del> agricultural facility, <u>or forest products business</u>; * * *</p> <p>(13) able to demonstrate that the proposed loan will be adequately secured by a mortgage on real property <del>with a satisfactory maturity date in no event later than 20 years from the date of inception of the mortgage</del>, or by a security agreement on personal property <del>with a satisfactory maturity date in no event longer than the average remaining useful life of the assets in which the security interest is being taken</del>; and * * *</p>	<p>residents who are natural persons. * * *</p> <p>§ 374h. LOAN ELIGIBILITY STANDARDS A farmer, or a limited liability company, partnership, corporation or other business entity the majority ownership of which is vested in one or more farmers, shall be eligible to apply for a farm ownership or operating loan, provided the applicant is: * * *</p> <p>(4) an operator or proposed operator of an agricultural facility, <del>or</del> farm operation, <u>or forest products business</u> for whom the loan reduces investment costs to an extent that offers the applicant a reasonable chance to succeed in the operation and management of an agricultural facility or farm operation; * * *</p> <p>(7) able to demonstrate that the applicant is responsible and able to manage responsibilities as owner or operator of the farm operation, <del>or</del> agricultural facility, <u>or forest products business</u>; * * *</p> <p>(13) able to demonstrate that the proposed loan will be adequately secured by a mortgage on real property <del>with a satisfactory maturity date in no event later than 20 years from the date of inception of the mortgage</del>, or by a security agreement on personal property <del>with a satisfactory maturity date in no event longer than the average remaining useful life of the assets in which the security interest is being taken</del>; and * * *</p>
<b>VEDA – Repeal of Full Faith and Credit; Repeal Mortgage Insurance Program and Financial Access Program</b>	A.7	A.7	As Passed House and Senate	As Passed House and Senate
<b>Cooperatives; Electronic Voting</b>	B.1	B.1	As Passed House and Senate	As Passed House and Senate
<b>Regional Planning and Economic Development Performance Contracts → Performance Grants</b>	C.1– C.2	C.1– C.2	As Passed House and Senate	As Passed House and Senate
<b>Vermont Training Program; Work-Based Learning Activities</b>	D.1	D.1	<p>Sec. D.1. 10 V.S.A. § 531 is amended to read: § 531. THE VERMONT TRAINING PROGRAM * * *</p> <p><b>(b) Eligibility for grant. The Secretary of Commerce and Community Development may award a grant to an employer if:</b> * * *</p> <p><b>(2) the employer provides its employees with at least three of the following:</b> * * *</p> <p><b>(H) other paid time off, including excluding paid sick days;</b> * * *</p> <p><u>(e) Work-based learning activities.</u> <u>(1) In addition to eligible training authorized in subsection (b) of this section, the</u></p>	<p>Sec. D.1. 10 V.S.A. § 531 is amended to read: § 531. THE VERMONT TRAINING PROGRAM * * *</p> <p><u>(e) Work-based learning activities.</u> <u>(1) In addition to eligible training authorized in subsection (b) of this section, the</u></p>

			<p><u>Secretary of Commerce and Community Development may annually allocate up to 10 percent of the funding appropriated for the Program to fund work-based learning programs and activities with eligible employers to introduce Vermont students in a middle school, secondary school, career technical education program, or postsecondary school to manufacturers and other regionally significant employers.</u></p> <p><u>(2) An employer with a defined work-based learning program or activity developed in partnership with a middle school, secondary school, career technical education program, or postsecondary school may apply to the Program for a grant to offset the costs the employer incurs for the work-based learning program or activity, including the costs of transportation, curriculum development, and materials.</u></p> <p style="text-align: center;">* * *</p> <p>(k) Annually on or before January 15, the Secretary shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs. In addition to the reporting requirements under section 540 of this title, the report shall identify:</p> <p>(1) all active and completed contracts and grants;</p> <p>(2) from among the following, the category the training addressed:</p> <p>(A) preemployment training or other training for a new employee to begin a newly created position with the employer;</p> <p>(B) preemployment training or other training for a new employee to begin in an existing position with the employer;</p> <p>(C) training for an incumbent employee who, upon completion of training, assumes a newly created position with the employer;</p> <p>(D) training for an incumbent employee who upon completion of training assumes a different position with the employer;</p> <p>(E) training for an incumbent employee to upgrade skills;</p> <p>(3) for the training identified in subdivision (2) of this subsection whether the training is onsite or classroom-based;</p> <p>(4) the number of employees served;</p> <p>(5) the average wage by employer;</p> <p>(6) any waivers granted;</p> <p>(7) the identity of the employer, or, if unknown at the time of the report, the category of employer;</p> <p>(8) the identity of each training provider; <del>and</del></p> <p>(9) whether training results in a wage increase for a trainee, and the amount of increase; <u>and</u></p> <p><u>(10) the number, type, and description of grants for work-based learning programs and activities awarded pursuant to subsection (e) of this section.</u></p>	<p><u>Secretary of Commerce and Community Development may annually allocate up to 10 percent of the funding appropriated for the Program to fund work-based learning programs and activities with eligible employers to introduce Vermont students in a middle school, secondary school, career technical education program, or postsecondary school to manufacturers and other regionally significant employers.</u></p> <p><u>(2) An employer with a defined work-based learning program or activity developed in partnership with a middle school, secondary school, career technical education program, or postsecondary school may apply to the Program for a grant to offset the costs the employer incurs for the work-based learning program or activity, including the costs of transportation, curriculum development, and materials.</u></p> <p style="text-align: center;">* * *</p> <p>(k) Annually on or before January 15, the Secretary shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs. In addition to the reporting requirements under section 540 of this title, the report shall identify:</p> <p>(1) all active and completed contracts and grants;</p> <p>(2) from among the following, the category the training addressed:</p> <p>(A) preemployment training or other training for a new employee to begin a newly created position with the employer;</p> <p>(B) preemployment training or other training for a new employee to begin in an existing position with the employer;</p> <p>(C) training for an incumbent employee who, upon completion of training, assumes a newly created position with the employer;</p> <p>(D) training for an incumbent employee who upon completion of training assumes a different position with the employer;</p> <p>(E) training for an incumbent employee to upgrade skills;</p> <p>(3) for the training identified in subdivision (2) of this subsection whether the training is onsite or classroom-based;</p> <p>(4) the number of employees served;</p> <p>(5) the average wage by employer;</p> <p>(6) any waivers granted;</p> <p>(7) the identity of the employer, or, if unknown at the time of the report, the category of employer;</p> <p>(8) the identity of each training provider; <del>and</del></p> <p>(9) whether training results in a wage increase for a trainee, and the amount of increase; <u>and</u></p> <p><u>(10) the number, type, and description of grants for work-based learning programs and activities awarded pursuant to subsection (e) of this section.</u></p>
<p><b>Corporations – Mergers, Conversions, Domestications, Share Exchanges</b></p>	<p>E.1–E.2</p>	<p>E.1–E.2</p>	<p>As Passed House and Senate</p>	<p>As Passed House and Senate</p>
<p><b>Limited Liability Company – Technical Corrections</b></p>	<p>E.3</p>	<p>E.3</p>	<p>As Passed House and Senate</p>	<p>As Passed House and Senate</p>

<b>Registration of Business Organizations – Technical Corrections</b>	E.4	E.4	As Passed House and Senate	As Passed House and Senate
<b>Treasurer – Public Retirement Plan Study Committee</b>	F.1	F.1	As Passed House and Senate	As Passed House and Senate
<b>Treasurer – ABLE Savings Program</b>	F.2–F.3	F.2–F.3	As Passed House and Senate	As Passed House and Senate
<b>Treasurer – Private Activity Bond Advisory Committee</b>	F.4	F.4	As Passed House and Senate	As Passed House and Senate
<b>Treasurer – Investment in Vermont Community Loan Fund</b>	F.5–F.6	F.5–F.6	As Passed House and Senate	As Passed House and Senate
<b>Treasurer – Local Investment Program and Advisory Committee</b>	F.7–F.9	F.7–F.9	As Passed House and Senate	As Passed House and Senate
<b>Medicaid for Working People with Disabilities</b>	G.1	G.1	As Passed House and Senate	As Passed House and Senate
<b>Vermont Employment Growth Incentive Program</b>	H.1	H.1	<p>Sec. H.1. 32 V.S.A. <b>chapter 105</b> is added to read:  <u><b>CHAPTER 105. VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM</b></u>  <u>Subchapter 1. Vermont Economic Progress Council</u>  <u>§ 3325. VERMONT ECONOMIC PROGRESS COUNCIL</u>  <u>(a) Creation. The Vermont Economic Progress Council is created to exercise the authority and perform the duties assigned to it, including its authority and duties relating to:</u>  <u>(1) the Vermont Employment Growth Incentive Program pursuant to subchapter 2 of this chapter; and</u>  <u>(2) tax increment financing districts pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title.</u>  <u>(b) Membership.</u>  <u>(1) The Council shall have 11 voting members:</u>  <u>(A) nine residents of the State appointed by the Governor with the advice and consent of the Senate who are knowledgeable and experienced in the subjects of community development and planning, education funding requirements, economic development, State fiscal affairs, property taxation, or entrepreneurial ventures and represent diverse geographical areas of the State and municipalities of various sizes;</u>  <u>(B) one member of the Vermont House of Representatives appointed by the Speaker of the House; and</u>  <u>(C) one member of the Vermont Senate appointed by the Senate Committee on Committees.</u>  <u>(2)(A) The Council shall have two regional members from each region of the State, one appointed by the regional development corporation of the region and one appointed by the regional planning commission of the region.</u>  <u>(B) A regional member shall be a nonvoting member and shall serve during consideration by the Council of an application from his or her region.</u>  <u>(c) Terms.</u></p>	<p>Sec. H.1. 32 V.S.A. chapter 2 is added to read:  <u><b>CHAPTER 2. VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM</b></u>  <u>Subchapter 1. Vermont Economic Progress Council</u>  <u>§ 25. VERMONT ECONOMIC PROGRESS COUNCIL</u>  <u>(a) Creation. The Vermont Economic Progress Council is created to exercise the authority and perform the duties assigned to it, including its authority and duties relating to:</u>  <u>(1) the Vermont Employment Growth Incentive Program pursuant to subchapter 2 of this chapter; and</u>  <u>(2) tax increment financing districts pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title.</u>  <u>(b) Membership.</u>  <u>(1) The Council shall have 11 voting members:</u>  <u>(A) nine residents of the State appointed by the Governor with the advice and consent of the Senate who are knowledgeable and experienced in the subjects of community development and planning, education funding requirements, economic development, State fiscal affairs, property taxation, or entrepreneurial ventures and represent diverse geographical areas of the State and municipalities of various sizes;</u>  <u>(B) one member of the Vermont House of Representatives appointed by the Speaker of the House; and</u>  <u>(C) one member of the Vermont Senate appointed by the Senate Committee on Committees.</u>  <u>(2)(A) The Council shall have two regional members from each region of the State, one appointed by the regional development corporation of the region and one appointed by the regional planning commission of the region.</u>  <u>(B) A regional member shall be a nonvoting member and shall serve during consideration by the Council of an application from his or her region.</u>  <u>(c) Terms.</u></p>

		<p><u>(1) Members of the Council appointed by the Governor shall serve initial staggered terms with five members serving four-year terms, and four members serving two-year terms.</u></p> <p><u>(2) After the initial term expires, a member's term is four years and a member may be reappointed.</u></p> <p><u>(3) A term commences on April 1 of each odd-numbered year.</u></p> <p><u>(d) Compensation.</u></p> <p><u>(1) For attendance at a meeting and for other official duties, a member appointed by the Governor shall be entitled to compensation for services and reimbursement of expenses as provided in section 1010 of this title, except that a member who is a member of the General Assembly shall be entitled to compensation for services and reimbursement of expenses as provided in 2 V.S.A. § 406.</u></p> <p><u>(2) A regional member who does not otherwise receive compensation and reimbursement of expenses from his or her regional development or planning organization shall be entitled to compensation and reimbursement of expenses for attendance at meetings and for other official duties as provided in section 1010 of this title.</u></p> <p><u>(e) Operation.</u></p> <p><u>(1) The Governor shall appoint a chair from the Council's members.</u></p> <p><u>(2) The Council shall receive administrative support from the Agency of Commerce and Community Development and the Department of Taxes.</u></p> <p><u>(3) The Council shall have:</u></p> <p><u>(A) an executive director appointed by the Governor with the advice and consent of the Senate who is knowledgeable in subject areas of the Council's jurisdiction and who is an exempt State employee; and</u></p> <p><u>(B) administrative staff.</u></p> <p><u>(f) Rulemaking authority. The Council shall have the authority to adopt policies and procedures as necessary, and to adopt rules under 3 V.S.A. chapter 25, to implement the provisions of this chapter.</u></p> <p><u>(g) Decisions not subject to review. A decision of the Council to approve or deny an application under subchapter 2 of this chapter, or to approve or deny a tax increment financing district pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title, is an administrative decision that is not subject to the contested case hearing requirements under 3 V.S.A. chapter 25 and is not subject to judicial review.</u></p> <p><b>§ 3326. COST-BENEFIT MODEL</b></p> <p><u>(a) The Council shall adopt and maintain a cost-benefit model for assessing and measuring the projected net fiscal cost and benefit to the State of proposed economic development activities.</u></p> <p><u>(b) The Council shall not modify the cost-benefit model without the prior approval of the Joint Fiscal Committee.</u></p>	<p><u>(1) Members of the Council appointed by the Governor shall serve initial staggered terms with five members serving four-year terms, and four members serving two-year terms.</u></p> <p><u>(2) After the initial term expires, a member's term is four years and a member may be reappointed.</u></p> <p><u>(3) A term commences on April 1 of each odd-numbered year.</u></p> <p><u>(d) Compensation.</u></p> <p><u>(1) For attendance at a meeting and for other official duties, a member appointed by the Governor shall be entitled to compensation for services and reimbursement of expenses as provided in section 1010 of this title, except that a member who is a member of the General Assembly shall be entitled to compensation for services and reimbursement of expenses as provided in 2 V.S.A. § 406.</u></p> <p><u>(2) A regional member who does not otherwise receive compensation and reimbursement of expenses from his or her regional development or planning organization shall be entitled to compensation and reimbursement of expenses for attendance at meetings and for other official duties as provided in section 1010 of this title.</u></p> <p><u>(e) Operation.</u></p> <p><u>(1) The Governor shall appoint a chair from the Council's members.</u></p> <p><u>(2) The Council shall receive administrative support from the Agency of Commerce and Community Development and the Department of Taxes.</u></p> <p><u>(3) The Council shall have:</u></p> <p><u>(A) an executive director appointed by the Governor with the advice and consent of the Senate who is knowledgeable in subject areas of the Council's jurisdiction and who is an exempt State employee; and</u></p> <p><u>(B) administrative staff.</u></p> <p><u>(f) Rulemaking authority. The Council shall have the authority to adopt policies and procedures as necessary, and to adopt rules under 3 V.S.A. chapter 25, to implement the provisions of this chapter.</u></p> <p><u>(g) Decisions not subject to review. A decision of the Council to approve or deny an application under subchapter 2 of this chapter, or to approve or deny a tax increment financing district pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title, is an administrative decision that is not subject to the contested case hearing requirements under 3 V.S.A. chapter 25 and is not subject to judicial review.</u></p> <p><b>§ 26. COST-BENEFIT MODEL</b></p> <p><u>(a) The Council shall adopt and maintain a cost-benefit model for assessing and measuring the projected net fiscal cost and benefit to the State of proposed economic development activities.</u></p> <p><u>(b) The Council shall not modify the cost-benefit model without the prior approval of the Joint Fiscal Committee.</u></p>
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The purpose of the Vermont Employment Growth Incentive Program is to encourage a business to add incremental and qualifying payroll, jobs, and capital investments by sharing with the business a portion of the revenue generated by the new payroll, new jobs, and new capital investments, thereby generating net new revenues to the State.</p> <p>(b) Form of incentives; enhanced incentives.</p> <p>(1) The Vermont Economic Progress Council may approve an incentive under this subchapter in the form of a direct cash payment in annual installments.</p> <p>(2) The Council may approve the following enhanced incentives:</p> <p>(A) an enhanced incentive for a business in a labor market area with higher than average unemployment or lower than average wages pursuant to section 3334 of this title;</p> <p>(B) an enhanced incentive for an environmental technology business pursuant to section 3335 of this title; and</p> <p>(C) an enhanced incentive for a business that participates in a State workforce training program pursuant to section 3336 of this title.</p> <p>(c) Eligible applicant. Only a business may apply for an incentive pursuant to this subchapter.</p> <p><u>§ 3331. DEFINITIONS</u>  <u>As used in this subchapter:</u></p> <p>(1) “Award period” means the consecutive five years during which a business may apply for an incentive under this subchapter.</p> <p>(2) “Base employment” means the number of full-time Vermont jobs held by non-owner employees as of the date a business with an approved application commences its proposed economic activity.</p> <p>(3) “Base payroll” means the Vermont gross salaries and wages paid as compensation to full-time Vermont jobs held by non-owner employees as of the date a business with an approved application commences its proposed economic activity.</p> <p>(4) “Capital investment performance requirement” means the minimum value of additional investment in one or more capital improvements.</p> <p>(5) “Jobs performance requirement” means the minimum number of qualifying jobs a business must add.</p> <p>(6) “Labor market area” means a labor market area as designated by the Vermont Department of Labor.</p> <p>(7) “Non-owner” means a person with no more than 10 percent ownership interest, including attribution of ownership interests of the person’s spouse, parents, spouse’s parents, siblings, and children.</p> <p>(8) “Payroll performance requirement” means the minimum value of Vermont gross salaries and wages a business must pay as compensation for one or more qualifying</p>	<p style="text-align: center;"><u>Subchapter 2. Vermont Employment Growth Incentive Program</u>  <u>§ 30. PURPOSE; FORM OF INCENTIVES; ENHANCED INCENTIVES</u>  <u>ELIGIBLE APPLICANT</u></p> <p>(a) Purpose. The purpose of the Vermont Employment Growth Incentive Program is to encourage a business to add new payroll, create new jobs, and make new capital investments by sharing with the business a portion of the revenue generated by the new payroll, new jobs, and new capital investments.</p> <p>(b) Form of incentives; enhanced incentives.</p> <p>(1) The Vermont Economic Progress Council may approve an incentive under this subchapter in the form of a direct cash payment in annual installments.</p> <p>(2) The Council may approve the following enhanced incentives:</p> <p>(A) an enhanced incentive for a business in a labor market area with higher than average unemployment or lower than average wages pursuant to section 34 of this title;</p> <p>(B) an enhanced incentive for an environmental technology business pursuant to section 35 of this title; and</p> <p>(C) an enhanced incentive for a business that participates in a State workforce training program pursuant to section 36 of this title.</p> <p>(c) Eligible applicant. Only a business may apply for an incentive pursuant to this subchapter.</p> <p><u>§ 31. DEFINITIONS</u>  <u>As used in this subchapter:</u></p> <p>(1) “Award period” means the consecutive five years during which a business may apply for an incentive under this subchapter.</p> <p>(2) “Base employment” means the number of full-time Vermont jobs held by non-owner employees as of the date a business with an approved application commences its proposed economic activity.</p> <p>(3) “Base payroll” means the Vermont gross salaries and wages paid as compensation to full-time Vermont jobs held by non-owner employees as of the date a business with an approved application commences its proposed economic activity.</p> <p>(4) “Capital investment performance requirement” means the minimum value of additional investment in one or more capital improvements.</p> <p>(5) “Jobs performance requirement” means the minimum number of qualifying jobs a business must add.</p> <p>(6) “Labor market area” means a labor market area as designated by the Vermont Department of Labor.</p> <p>(7) “Non-owner” means a person with no more than 10 percent ownership interest, including attribution of ownership interests of the person’s spouse, parents, spouse’s parents, siblings, and children.</p> <p>(8) “Payroll performance requirement” means the minimum value of Vermont gross salaries and wages a business must pay as compensation for one or more qualifying</p>
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		<p>jobs.</p> <p><u>(9) “Qualifying job” means a new, permanent position in Vermont that meets each of the following criteria:</u></p> <p><u>(A) The position is filled by a non-owner employee who regularly works at least 35 hours each week.</u></p> <p><u>(B) The business provides compensation for the position that equals or exceeds the wage threshold.</u></p> <p><u>(C) The business provides for the position at least three of the following:</u></p> <p><u>(i) health care benefits with 50 percent or more of the premium paid by the business;</u></p> <p><u>(ii) dental assistance;</u></p> <p><u>(iii) paid vacation;</u></p> <p><u>(iv) paid holidays;</u></p> <p><u>(v) child care;</u></p> <p><u>(vi) other extraordinary employee benefits;</u></p> <p><u>(vii) retirement benefits;</u></p> <p><u>(viii) other paid time off, <b>excluding</b> paid sick days.</u></p> <p><u>(D) The position is not an existing position that the business transfers from another facility within the State.</u></p> <p><u>(E) When the position is added to base employment, the business’s total employment exceeds its average annual employment during the two preceding years, unless the Council determines that the business is establishing a significantly different, new line of business and creating new jobs in the new line of business that were not part of the business prior to filing its application.</u></p> <p><u>(10) “Utilization period” means each year of the award period and the four years immediately following each year of the award period.</u></p> <p><u>(11) “Vermont gross wages and salaries” means Medicare wages as reported on Federal Tax Form W-2 to the extent those wages are Vermont wages, excluding income from nonstatutory stock options.</u></p> <p><u>(12) “Wage threshold” means the minimum amount of annualized Vermont gross wages and salaries a business must pay for a qualifying job, as required by the Council in its discretion, but not less than:</u></p> <p><u>(A) 60 percent above the State minimum wage at the time of application; or</u></p> <p><u>(B) for a business located in a labor market area in which the average annual unemployment rate is higher than the average annual unemployment rate for the State, 40 percent above the State minimum wage at the time of application.</u></p> <p><b>§ 3332. APPLICATION; APPROVAL CRITERIA</b></p> <p><u>(a) Application.</u></p> <p><u>(1) A business may apply for an incentive in one or more years of an award period by submitting an application to the Council in the format the Council specifies for that purpose.</u></p> <p><u>(2) For each award year the business applies for an incentive, the business shall:</u></p> <p><u>(A) specify a payroll performance requirement;</u></p>	<p>jobs.</p> <p><u>(9) “Qualifying job” means a new, permanent position in Vermont that meets each of the following criteria:</u></p> <p><u>(A) The position is filled by a non-owner employee who regularly works at least 35 hours each week.</u></p> <p><u>(B) The business provides compensation for the position that equals or exceeds the wage threshold.</u></p> <p><u>(C) The business provides for the position at least three of the following:</u></p> <p><u>(i) health care benefits with 50 percent or more of the premium paid by the business;</u></p> <p><u>(ii) dental assistance;</u></p> <p><u>(iii) paid vacation;</u></p> <p><u>(iv) paid holidays;</u></p> <p><u>(v) child care;</u></p> <p><u>(vi) other extraordinary employee benefits;</u></p> <p><u>(vii) retirement benefits;</u></p> <p><u>(viii) other paid time off, <b>including</b> paid sick days.</u></p> <p><u>(D) The position is not an existing position that the business transfers from another facility within the State.</u></p> <p><u>(E) When the position is added to base employment, the business’s total employment exceeds its average annual employment during the two preceding years, unless the Council determines that the business is establishing a significantly different, new line of business and creating new jobs in the new line of business that were not part of the business prior to filing its application.</u></p> <p><u>(10) “Utilization period” means each year of the award period and the four years immediately following each year of the award period.</u></p> <p><u>(11) “Vermont gross wages and salaries” means Medicare wages as reported on Federal Tax Form W-2 to the extent those wages are Vermont wages, excluding income from nonstatutory stock options.</u></p> <p><u>(12) “Wage threshold” means the minimum amount of annualized Vermont gross wages and salaries a business must pay for a qualifying job, as required by the Council in its discretion, but not less than:</u></p> <p><u>(A) 60 percent above the State minimum wage at the time of application; or</u></p> <p><u>(B) for a business located in a labor market area in which the average annual unemployment rate is higher than the average annual unemployment rate for the State, 40 percent above the State minimum wage at the time of application.</u></p> <p><b>§ 32. APPLICATION; APPROVAL CRITERIA; GUIDELINES</b></p> <p><u>(a) Application.</u></p> <p><u>(1) A business may apply for an incentive in one or more years of an award period by submitting an application to the Council in the format the Council specifies for that purpose.</u></p> <p><u>(2) For each award year the business applies for an incentive, the business shall:</u></p> <p><u>(A) specify a payroll performance requirement;</u></p>
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		<p><u>(B) specify a jobs performance requirement or a capital investment performance requirement, or both; and</u></p> <p><u>(C) provide any other information the Council requires to evaluate the application under this subchapter.</u></p> <p><u>(b) Mandatory criteria. The Council shall not approve an application unless it finds:</u></p> <p><u>(1) Except as otherwise provided for an enhanced incentive for a business in a qualifying labor market area under section 3334 of this title, the new revenue the proposed activity generates to the State exceeds the costs of the activity to the State.</u></p> <p><u>(2) The host municipality welcomes the new business.</u></p> <p><u>(3) The proposed economic activity conforms to applicable town and regional plans.</u></p> <p><u>(4) If the business proposes to expand within a limited local market, an incentive would not give the business an unfair competitive advantage over other Vermont businesses in the same or similar line of business and in the same limited local market.</u></p> <p><u>(5) But for the incentive, the proposed economic activity:</u></p> <p><u>(A) would not occur; or</u></p> <p><u>(B) would occur in a significantly different manner that is significantly less desirable to the State.</u></p> <p><u>§ 3333. CALCULATING THE VALUE OF AN INCENTIVE</u></p> <p><u>Except as otherwise provided for an enhanced incentive for a business in a qualifying labor market area under section 3334 of this title, an enhanced incentive for an environmental technology business under section 3335 of this title, or an enhanced incentive for workforce training under section 3336 of this title, the Council shall calculate the value of an incentive for an award year as follows:</u></p> <p><u>(1) Calculate new revenue growth. To calculate new revenue growth, the Council shall use the cost-benefit model created pursuant to section 3326 of this title to determine the amount by which the new revenue generated by the proposed economic activity to the State exceeds the costs of the activity to the State.</u></p> <p><u>(2) Calculate the business’s potential share of new revenue growth. Except as otherwise provided for an environmental technology business in section 3335 of this title, to calculate the business’s potential share of new revenue growth, the Council shall multiply the new revenue growth determined under subdivision (1) of this subsection by 80 percent.</u></p> <p><u>(3) Calculate the incentive percentage. To calculate the incentive percentage, the Council shall divide the business’s potential share of new revenue growth by the sum of the business’s annual payroll performance requirements.</u></p> <p><u>(4) Calculate qualifying payroll. To calculate qualifying payroll, the Council shall subtract from the payroll performance requirement the projected value of background growth in payroll for the proposed economic activity.</u></p> <p><u>(5) Calculate the value of the incentive. To calculate the value of the incentive, the Council shall multiply qualifying payroll by the incentive percentage.</u></p> <p><u>(6) Calculate the amount of the annual installment payments. To calculate the amount of the annual installment payments, the Council shall:</u></p>	<p><u>(B) specify a jobs performance requirement or a capital investment performance requirement, or both; and</u></p> <p><u>(C) provide any other information the Council requires to evaluate the application under this subchapter.</u></p> <p><u>(b) Mandatory criteria. The Council shall not approve an application unless it finds:</u></p> <p><u>(1) Except as otherwise provided for an enhanced incentive for a business in a qualifying labor market area under section 34 of this title, the new revenue the proposed activity generates to the State exceeds the costs of the activity to the State.</u></p> <p><u>(2) The host municipality welcomes the new business.</u></p> <p><u>(3) The proposed economic activity conforms to applicable town and regional plans.</u></p> <p><u>(4) If the business proposes to expand within a limited local market, an incentive would not give the business an unfair competitive advantage over other Vermont businesses in the same or similar line of business and in the same limited local market.</u></p> <p><u>(5) But for the incentive, the proposed economic activity:</u></p> <p><u>(A) would not occur; or</u></p> <p><u>(B) would occur in a significantly different manner that is significantly less desirable to the State.</u></p> <p><u>§ 33. CALCULATING THE VALUE OF AN INCENTIVE</u></p> <p><u>Except as otherwise provided for an enhanced incentive for a business in a qualifying labor market area under section 34 of this title, an enhanced incentive for an environmental technology business under section 35 of this title, or an enhanced incentive for workforce training under section 36 of this title, the Council shall calculate the value of an incentive for an award year as follows:</u></p> <p><u>(1) Calculate new revenue growth. To calculate new revenue growth, the Council shall use the cost-benefit model created pursuant to section 26 of this title to determine the amount by which the new revenue generated by the proposed economic activity to the State exceeds the costs of the activity to the State.</u></p> <p><u>(2) Calculate the business’s potential share of new revenue growth. Except as otherwise provided for an environmental technology business in section 35 of this title, to calculate the business’s potential share of new revenue growth, the Council shall multiply the new revenue growth determined under subdivision (1) of this subsection by 80 percent.</u></p> <p><u>(3) Calculate the incentive percentage. To calculate the “incentive percentage,” the Council shall divide the business’s potential share of new revenue growth by the sum of the business’s annual payroll performance requirements.</u></p> <p><u>(4) Calculate qualifying payroll. To calculate qualifying payroll, the Council shall subtract from the payroll performance requirement the projected value of background growth in payroll for the proposed economic activity.</u></p> <p><u>(5) Calculate the value of the incentive. To calculate the value of the incentive, the Council shall multiply qualifying payroll by the incentive percentage.</u></p> <p><u>(6) Calculate the amount of the annual installment payments. To calculate the amount of the annual installment payments, the Council shall:</u></p>
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		<p>(A) divide the value of the incentive by five; and          (B) adjust the value of the first installment payment so that it is proportional to the actual number of days that new qualifying employees are employed in the first year of hire.</p> <p><b>§ 3334. ENHANCED INCENTIVE FOR A BUSINESS IN A QUALIFYING LABOR MARKET AREA</b></p> <p>(a) The Council may increase the value of an incentive for a business that is located in a labor market area in which:</p> <p>(1) the average annual unemployment rate is greater than the average annual unemployment rate for the State; or          (2) the average annual wage is less than the average annual wage for the State.</p> <p>(b) In each calendar year, the amount by which the Council may increase the value of all incentives pursuant to this section is:</p> <p>(1) \$1,500,000.00 for one or more initial approvals; and          (2) \$1,000,000.00 for one or more final approvals.</p> <p>(c) The Council may increase the cap imposed in subdivision (b)(2) of this section by not more than \$500,000.00 upon application to, and approval of, the Emergency Board.</p> <p>(d) In evaluating the Council's request, the Board shall consider the economic and fiscal condition of the State, including recent revenue forecasts and budget projections.</p> <p>(e) The Council shall provide the Board with testimony, documentation, company-specific data, and any other information the Board requests to demonstrate that increasing the cap will create an opportunity for return on investment to the State.</p> <p><b>§ 3335. ENHANCED INCENTIVE FOR ENVIRONMENTAL TECHNOLOGY BUSINESS</b></p> <p>(a) As used in this section, an "environmental technology business" means a business that:</p> <p>(1) is subject to income taxation in Vermont; and          (2) seeks an incentive for economic activity in Vermont that the Secretary of Commerce and Community Development certifies is primarily research, design, engineering, development, or manufacturing related to one or more of the following:</p> <p>(A) waste management, including waste collection, treatment, disposal, reduction, recycling, and remediation;          (B) natural resource protection and management, including water and wastewater purification and treatment, air pollution control and prevention or remediation, soil and groundwater protection or remediation, and hazardous waste control or</p>	<p>(A) divide the value of the incentive by five; and          (B) adjust the value of the first installment payment so that it is proportional to the actual number of days that new qualifying employees are employed in the first year of hire.</p> <p><b>§ 34. ENHANCED INCENTIVE FOR A BUSINESS IN A QUALIFYING LABOR MARKET AREA</b></p> <p>(a) The Council may increase the value of an incentive for a business that is located in a labor market area in which:</p> <p>(1) the average annual unemployment rate is greater than the average annual unemployment rate for the State; or          (2) the average annual wage is less than the average annual wage for the State.</p> <p>(b) In each calendar year, the amount by which the Council may increase the value of all incentives pursuant to this section is:</p> <p>(1) \$1,500,000.00 for one or more initial approvals; and          (2) \$1,000,000.00 for one or more final approvals.</p> <p>(c) The Council may increase the cap imposed in subdivision (b)(2) of this section by not more than \$500,000.00 upon application by the Governor to, and approval of, the Joint Fiscal Committee.</p> <p>(d) In evaluating the Governor's request, the Committee shall consider the economic and fiscal condition of the State, including recent revenue forecasts and budget projections.</p> <p>(e) The Council shall provide the Committee with testimony, documentation, company-specific data, and any other information the Committee requests to demonstrate that increasing the cap will create an opportunity for return on investment to the State.</p> <p><b>§ 35. ENHANCED INCENTIVE FOR ENVIRONMENTAL TECHNOLOGY BUSINESS</b></p> <p>(a) As used in this section, an "environmental technology business" means a business that:</p> <p>(1) is subject to income taxation in Vermont; and          (2) seeks an incentive for economic activity in Vermont that the Secretary of Commerce and Community Development certifies is primarily research, design, engineering, development, or manufacturing related to one or more of the following:</p> <p>(A) waste management, including waste collection, treatment, disposal, reduction, recycling, and remediation;          (B) natural resource protection and management, including water and wastewater purification and treatment, air pollution control and prevention or remediation, soil and groundwater protection or remediation, and hazardous waste control or</p>
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		<p>remediation;  (C) energy efficiency or conservation;  (D) clean energy, including solar, wind, wave, hydro, geothermal, hydrogen, fuel cells, waste-to-energy, or biomass.  (b) The Council shall consider and administer an application from an environmental technology business pursuant to the provisions of this subchapter, except that:  (1) the business's potential share of new revenue growth shall be 90 percent; and  (2) to calculate qualifying payroll, the Council shall:  (A) determine the background growth rate in payroll for the applicable business sector in the award year;  (B) multiply the business's full-time payroll for the award year by 20 percent of the background growth rate; and  (C) subtract the product from the payroll performance requirement for the award year.</p> <p>§ 3336. ENHANCED INCENTIVE FOR WORKFORCE TRAINING  (a) A business whose application is approved may elect to claim the incentive specified for an award year as an enhanced training incentive by:  (1) notifying the Council of its intent to pursue an enhanced training incentive and dedicate its incentive funds to training through the Vermont Training Program; and  (2) applying for a grant from the Vermont Training Program to perform training for one or more new employees who hold qualifying jobs.  (b) If a business is awarded a grant for training under this section, the Agency of Commerce and Community Development shall disburse grant funds for on-the-job training of 75 percent of wages for each employee in training or 75 percent of trainer expense, and the business shall be responsible for the remaining 25 percent of the applicable training costs.  (c) A business that successfully completes its training shall submit a written certificate of completion to the Agency of Commerce and Community Development which shall notify the Department of Taxes.  (d) Upon notification by the Agency, and if the Department determines that the business has earned the incentive for the award year, it shall:  (1) disburse to the business a payment in an amount equal to 25 percent of the cost for training expenses pursuant to subsection (b) of this section;  (2) disburse to the Agency of Commerce and Community Development a payment in an amount equal to 25 percent of the cost for training expenses pursuant to subsection (b) of this section; and  (3) disburse the remaining value of the incentive in annual installments pursuant to section 3337 of this title.</p> <p>§ 3337. EARNING AN INCENTIVE  (a) Earning an incentive; installment payments.  (1) A business with an approved application earns the incentive specified for an award year if, within the applicable time period provided in this section, the business:</p>	<p>remediation;  (C) energy efficiency or conservation;  (D) clean energy, including solar, wind, wave, hydro, geothermal, hydrogen, fuel cells, waste-to-energy, or biomass.  (b) The Council shall consider and administer an application from an environmental technology business pursuant to the provisions of this subchapter, except that:  (1) the business's potential share of new revenue growth shall be 90 percent; and  (2) to calculate qualifying payroll, the Council shall:  (A) determine the background growth rate in payroll for the applicable business sector in the award year;  (B) multiply the business's full-time payroll for the award year by 20 percent of the background growth rate; and  (C) subtract the product from the payroll performance requirement for the award year.</p> <p>§ 36. ENHANCED INCENTIVE FOR WORKFORCE TRAINING  (a) A business whose application is approved may elect to claim the incentive specified for an award year as an enhanced training incentive by:  (1) notifying the Council of its intent to pursue an enhanced training incentive and dedicate its incentive funds to training through the Vermont Training Program; and  (2) applying for a grant from the Vermont Training Program to perform training for one or more new employees who hold qualifying jobs.  (b) If a business is awarded a grant for training under this section, the Agency of Commerce and Community Development shall disburse grant funds for on-the-job training of 75 percent of wages for each employee in training or 75 percent of trainer expense, and the business shall be responsible for the remaining 25 percent of the applicable training costs.  (c) A business that successfully completes its training shall submit a written certificate of completion to the Agency of Commerce and Community Development which shall notify the Department of Taxes.  (d) Upon notification by the Agency, and if the Department determines that the business has earned the incentive for the award year, it shall:  (1) disburse to the business a payment in an amount equal to 25 percent of the cost for training expenses pursuant to subsection (b) of this section;  (2) disburse to the Agency of Commerce and Community Development a payment in an amount equal to 25 percent of the cost for training expenses pursuant to subsection (b) of this section; and  (3) disburse the remaining value of the incentive in annual installments pursuant to section 37 of this title.</p> <p>§ 37. EARNING AN INCENTIVE  (a) Earning an incentive; installment payments.  (1) A business with an approved application earns the incentive specified for an award year if, within the applicable time period provided in this section, the business:</p>
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		<p><u>(A) maintains or exceeds its base payroll and base employment;</u>  <u>(B) meets or exceeds the payroll performance requirement specified for the award year; and</u>  <u>(C) meets or exceeds the jobs performance requirement specified for the award year, or the capital investment performance requirement specified for the award year, or both.</u></p> <p><u>(2) A business that earns an incentive specified for an award year is eligible to receive an installment payment for the year in which it earns the incentive and for each of the next four years in which the business:</u></p> <p><u>(A) maintains or exceeds its base payroll and base employment;</u>  <u>(B) maintains or exceeds the payroll performance requirement specified for the award year; and</u>  <u>(C) if the business earns an incentive by meeting or exceeding the jobs performance target specified for the award year, maintains or exceeds the jobs performance requirement specified for the award year.</u></p> <p><u>(b) Award year one.</u></p> <p><u>(1) For award year one, a business has from the date it commences its proposed economic activity through December 31 of that year, plus two additional years, to meet the performance requirements specified for award year one.</u></p> <p><u>(2) A business that does not meet the performance requirements specified for award year one within this period becomes ineligible to earn incentives for the award year and for all remaining award years in the award period.</u></p> <p><u>(c) Award years two and three.</u></p> <p><u>(1) For award year two and award year three, beginning on January 1 of the award year, a business has three years to meet the performance requirements specified for the award year.</u></p> <p><u>(2) A business that does not meet the performance requirements specified for award year two or for award year three within three years becomes ineligible to earn incentives for the award year and for all remaining award years in the award period.</u></p> <p><u>(d) Extending the earning period in award years one and two. Notwithstanding subsection (b) of this section:</u></p> <p><u>(1) Upon request, the Council may extend the period to earn an incentive for award year one or award year two if it determines:</u></p> <p><u>(A) a business did not earn the incentive for the award year due to facts or circumstances beyond its control; and</u>  <u>(B) there is a reasonable likelihood the business will earn the incentive within the extended period.</u></p> <p><u>(2) The Council may extend the period to earn an incentive:</u></p> <p><u>(A) for award year one, by two years, reviewed annually; or</u>  <u>(B) for award year two, by one year.</u></p> <p><u>(3) If the Council extends the period to earn an incentive, it shall recalculate the value of the incentive using the cost-benefit model and shall adjust the amount of the incentive as is necessary to account for the extension.</u></p> <p><u>(e) Award year four.</u></p>	<p><u>(A) maintains or exceeds its base payroll and base employment;</u>  <u>(B) meets or exceeds the payroll performance requirement specified for the award year; and</u>  <u>(C) meets or exceeds the jobs performance requirement specified for the award year, or the capital investment performance requirement specified for the award year, or both.</u></p> <p><u>(2) A business that earns an incentive specified for an award year is eligible to receive an installment payment for the year in which it earns the incentive and for each of the next four years in which the business:</u></p> <p><u>(A) maintains or exceeds its base payroll and base employment;</u>  <u>(B) maintains or exceeds the payroll performance requirement specified for the award year; and</u>  <u>(C) if the business earns an incentive by meeting or exceeding the jobs performance target specified for the award year, maintains or exceeds the jobs performance requirement specified for the award year.</u></p> <p><u>(b) Award year one.</u></p> <p><u>(1) For award year one, a business has from the date it commences its proposed economic activity through December 31 of that year, plus two additional years, to meet the performance requirements specified for award year one.</u></p> <p><u>(2) A business that does not meet the performance requirements specified for award year one within this period becomes ineligible to earn incentives for the award year and for all remaining award years in the award period.</u></p> <p><u>(c) Award years two and three.</u></p> <p><u>(1) For award year two and award year three, beginning on January 1 of the award year, a business has three years to meet the performance requirements specified for the award year.</u></p> <p><u>(2) A business that does not meet the performance requirements specified for award year two or for award year three within three years becomes ineligible to earn incentives for the award year and for all remaining award years in the award period.</u></p> <p><u>(d) Extending the earning period in award years one and two. Notwithstanding subsection (b) of this section:</u></p> <p><u>(1) Upon request, the Council may extend the period to earn an incentive for award year one or award year two if it determines:</u></p> <p><u>(A) a business did not earn the incentive for the award year due to facts or circumstances beyond its control; and</u>  <u>(B) there is a reasonable likelihood the business will earn the incentive within the extended period.</u></p> <p><u>(2) The Council may extend the period to earn an incentive:</u></p> <p><u>(A) for award year one, by two years, reviewed annually; or</u>  <u>(B) for award year two, by one year.</u></p> <p><u>(3) If the Council extends the period to earn an incentive, it shall recalculate the value of the incentive using the cost-benefit model and shall adjust the amount of the incentive as is necessary to account for the extension.</u></p> <p><u>(e) Award year four.</u></p>
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		<p>(1) Beginning on January 1 of award year four, a business that remains eligible to earn incentives has two years to meet the performance requirements specified for award year four.</p> <p>(2) A business that does not meet the performance requirements specified for award year four within two years becomes ineligible to earn incentives for award year four and award year five.</p> <p>(f) Award year five.</p> <p>(1) Beginning on January 1 of award year five, a business that remains eligible to earn incentives has one year to meet the performance requirements specified for award year five.</p> <p>(2) A business that does not meet the performance requirements specified for award year five by the end of that award year becomes ineligible to earn the incentive specified for that award year.</p> <p>(g) Carrying forward growth that exceeds targets. If a business exceeds one or more of the payroll performance requirement, the jobs performance requirement, or the capital investment performance requirement specified for an award year, the business may apply the excess payroll, excess jobs, and excess capital investment toward the performance requirement specified for a future award year, provided that the business maintains the excess payroll, excess jobs, or excess capital investment into the future award year.</p> <p><b>§ 3338. CLAIMING AN INCENTIVE; ANNUAL FILING WITH DEPARTMENT OF TAXES</b></p> <p>(a) On or before April 30 following each year of the utilization period, a business with an approved application shall submit an incentive claim to the Department of Taxes.</p> <p>(b) A business shall include the information the Department requires, including the information required in section 5842 of this title and other documentation concerning payroll, jobs, and capital investment necessary to determine whether the business earned the incentive specified for an award year and any installment payment for which the business is eligible.</p> <p>(c) The Department may consider an incomplete claim to be timely filed if the business files a complete claim within the additional time allowed by the Department in its discretion.</p> <p>(d) Upon finalizing its review of a complete claim, the Department shall:</p> <p>(1) notify the business and the Council whether the business is entitled to an installment payment for the applicable year; and</p> <p>(2) make an installment payment to which the business is entitled.</p> <p>(e) The Department shall not pay interest on any amounts it holds or pays for an incentive or installment payment pursuant to this subchapter.</p> <p><b>§ 3339. RECAPTURE; REDUCTION; REPAYMENT</b></p> <p>(a) Recapture.</p> <p>(1) The Department of Taxes may recapture the value of one or more installment payments a business has claimed, with interest, if:</p> <p>(A) the business fails to file a claim as required in section 3338 of this title; or</p>	<p>(1) Beginning on January 1 of award year four, a business that remains eligible to earn incentives has two years to meet the performance requirements specified for award year four.</p> <p>(2) A business that does not meet the performance requirements specified for award year four within two years becomes ineligible to earn incentives for award year four and award year five.</p> <p>(f) Award year five.</p> <p>(1) Beginning on January 1 of award year five, a business that remains eligible to earn incentives has one year to meet the performance requirements specified for award year five.</p> <p>(2) A business that does not meet the performance requirements specified for award year five by the end of that award year becomes ineligible to earn the incentive specified for that award year.</p> <p>(g) Carrying forward growth that exceeds targets. If a business exceeds one or more of the payroll performance requirement, the jobs performance requirement, or the capital investment performance requirement specified for an award year, the business may apply the excess payroll, excess jobs, and excess capital investment toward the performance requirement specified for a future award year, provided that the business maintains the excess payroll, excess jobs, or excess capital investment into the future award year.</p> <p><b>§ 38. CLAIMING AN INCENTIVE; ANNUAL FILING WITH DEPARTMENT OF TAXES</b></p> <p>(a) On or before April 30 following each year of the utilization period, a business with an approved application shall submit an incentive claim to the Department of Taxes.</p> <p>(b) A business shall include the information the Department requires, including the information required in section 5842 of this title and other documentation concerning payroll, jobs, and capital investment necessary to determine whether the business earned the incentive specified for an award year and any installment payment for which the business is eligible.</p> <p>(c) The Department may consider an incomplete claim to be timely filed if the business files a complete claim within the additional time allowed by the Department in its discretion.</p> <p>(d) Upon finalizing its review of a complete claim, the Department shall:</p> <p>(1) notify the business and the Council whether the business is entitled to an installment payment for the applicable year; and</p> <p>(2) make an installment payment to which the business is entitled.</p> <p><b>§ 39. RECAPTURE; REDUCTION; REPAYMENT</b></p> <p>(a) Recapture.</p> <p>(1) The Department of Taxes may recapture the value of one or more installment payments a business has claimed, with interest, if:</p> <p>(A) the business fails to file a claim as required in section 38 of this title; or</p>
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		<p><u>(B) during the utilization period, the business experiences:</u>  <u>(i) a 90 percent or greater reduction from base employment; or</u>  <u>(ii) if it had no jobs at the time of application, a 90 percent or greater reduction from the sum of its job performance requirements.</u>  <u>(2) If the Department determines that a business is subject to recapture under subdivision (1) of this subsection, the business becomes ineligible to earn or claim an additional incentive or installment payment for the remainder of the utilization period.</u>  <u>(3) Notwithstanding any other statute of limitations, the Department may commence a proceeding to recapture amounts under subdivision (1) of this subsection as follows:</u>  <u>(A) under subdivision (1)(A) of this subsection, no later than three years from the last day of the utilization period; and</u>  <u>(B) under subdivision (1)(B) of this subsection, no later than three years from date the business experiences the reduction from base employment, or three years from the last day of the utilization period, whichever occurs first.</u>  <u>(b) Reduction; recapture. If a business fails to make capital investments that equal or exceed the sum of its capital investment performance requirements by the end of the award period:</u>  <u>(1) The Department shall:</u>  <u>(A) calculate a reduced incentive by multiplying the combined value of the business's award period incentives by the same proportion that the business's total actual capital investments bear to the sum of its capital investment performance requirements; and</u>  <u>(B) reduce the value of any remaining installment payments for which the business is eligible by the same proportion.</u>  <u>(2) If the value of the installment payments the business has already received exceeds the value of the reduced incentive, then:</u>  <u>(A) the business becomes ineligible to claim any additional installment payments for the award period; and</u>  <u>(B) the Department shall recapture the amount by which the value of the installment payments the business has already received exceeds the value of the reduced incentive.</u>  <u>(c) Tax liability.</u>  <u>(1) A person who has the duty and authority to remit taxes under this title shall be personally liable for an installment payment that is subject to recapture under this section.</u>  <u>(2) For purposes of this section, the Department of Taxes may use any enforcement or collection action available for taxes owed pursuant to chapter 151 of this title.</u></p> <p><u>§ 3340. REPORTING</u>  <u>(a) On or before September 1 of each year, the Vermont Economic Progress Council and the Department of Taxes shall submit a joint report on the incentives authorized in this subchapter to the House Committees on Ways and Means, on Commerce and Economic Development, and on Appropriations, to the Senate Committees on Finance, on Economic Development, Housing and General Affairs, and on Appropriations, and to the</u></p>	<p><u>(B) during the utilization period, the business experiences:</u>  <u>(i) a 90 percent or greater reduction from base employment; or</u>  <u>(ii) if it had no jobs at the time of application, a 90 percent or greater reduction from the sum of its job performance requirements.</u>  <u>(2) If the Department determines that a business is subject to recapture under subdivision (1) of this subsection, the business becomes ineligible to earn or claim an additional incentive or installment payment for the remainder of the utilization period.</u>  <u>(3) Notwithstanding any other statute of limitations, the Department may commence a proceeding to recapture amounts under subdivision (1) of this subsection as follows:</u>  <u>(A) under subdivision (1)(A) of this subsection, no later than three years from the last day of the utilization period; and</u>  <u>(B) under subdivision (1)(B) of this subsection, no later than three years from date the business experiences the reduction from base employment, or three years from the last day of the utilization period, whichever occurs first.</u>  <u>(b) Reduction; recapture. If a business fails to make capital investments that equal or exceed the sum of its capital investment performance requirements by the end of the award period:</u>  <u>(1) The Department shall:</u>  <u>(A) calculate a reduced incentive by multiplying the combined value of the business's award period incentives by the same proportion that the business's total actual capital investments bear to the sum of its capital investment performance requirements; and</u>  <u>(B) reduce the value of any remaining installment payments for which the business is eligible by the same proportion.</u>  <u>(2) If the value of the installment payments the business has already received exceeds the value of the reduced incentive, then:</u>  <u>(A) the business becomes ineligible to claim any additional installment payments for the award period; and</u>  <u>(B) the Department shall recapture the amount by which the value of the installment payments the business has already received exceeds the value of the reduced incentive.</u></p> <p><u>§ 40. REPORTING</u>  <u>(a) On or before September 1 of each year, the Vermont Economic Progress Council and the Department of Taxes shall submit a joint report on the incentives authorized in this subchapter to the House Committees on Ways and Means, on Commerce and Economic Development, and on Appropriations, to the Senate Committees on Finance, on Economic Development, Housing and General Affairs, and on Appropriations, and to the</u></p>
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		<p><u>Joint Fiscal Committee.</u></p> <p><u>(b) The Council and the Department shall include in the joint report:</u></p> <p><u>(1) the total amount of incentives authorized during the preceding year;</u></p> <p><u>(2) with respect to each business with an approved application:</u></p> <p><u>(A) the date and amount of authorization;</u></p> <p><u>(B) the calendar year or years in which the authorization is expected to be exercised;</u></p> <p><u>(C) whether the authorization is active; and</u></p> <p><u>(D) the date the authorization will expire; and</u></p> <p><u>(3) the following aggregate information:</u></p> <p><u>(A) the number of claims and incentive payments made in the current and prior claim years;</u></p> <p><u>(B) the number of qualifying jobs; and</u></p> <p><u>(C) the amount of new payroll and capital investment.</u></p> <p><u>(c) The Council and the Department shall present data and information in the joint report in a searchable format.</u></p> <p><u>(d) Notwithstanding any provision of law to the contrary, an incentive awarded pursuant to this subchapter shall be treated as a tax expenditure for purposes of chapter 5 of this title.</u></p> <p><b>§ 3341. CONFIDENTIALITY OF PROPRIETARY BUSINESS INFORMATION</b></p> <p><u>(a) The Vermont Economic Progress Council and the Department of Taxes shall use measures to protect proprietary financial information, including reporting information in an aggregate form.</u></p> <p><u>(b) Information and materials submitted by a business concerning its income taxes and other confidential financial information 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 or a standing committee of the General Assembly, and shall also be available to the Auditor of Accounts in connection with the performance of duties under section 163 of this title; provided, however, that the Joint Fiscal Office or its agent and the Auditor of Accounts shall not disclose, directly or indirectly, to any person any proprietary business information or any information that would identify a business except in accordance with a judicial order or as otherwise specifically provided by law.</u></p> <p><u>(c) Nothing in this section shall be construed to prohibit the publication of statistical information, rulings, determinations, reports, opinions, policies, or other information so long as the data are disclosed in a form that cannot identify or be associated with a particular business.</u></p> <p><b>§ 3342. ANNUAL PROGRAM CAP</b></p> <p><u>(a) In each calendar year the Vermont Economic Progress Council may approve one or more incentives under this subchapter, the total value of which shall not exceed:</u></p> <p><u>(1) \$15,000,000.00 for one or more initial approvals; and</u></p>	<p><u>Joint Fiscal Committee.</u></p> <p><u>(b) The Council and the Department shall include in the joint report:</u></p> <p><u>(1) the total amount of incentives authorized during the preceding year;</u></p> <p><u>(2) with respect to each business with an approved application:</u></p> <p><u>(A) the date and amount of authorization;</u></p> <p><u>(B) the calendar year or years in which the authorization is expected to be exercised;</u></p> <p><u>(C) whether the authorization is active; and</u></p> <p><u>(D) the date the authorization will expire; and</u></p> <p><u>(3) the following aggregate information:</u></p> <p><u>(A) the number of claims and incentive payments made in the current and prior claim years;</u></p> <p><u>(B) the number of qualifying jobs; and</u></p> <p><u>(C) the amount of new payroll and capital investment.</u></p> <p><u>(c) The Council and the Department shall present data and information in the joint report in a searchable format.</u></p> <p><u>(d) Notwithstanding any provision of law to the contrary, an incentive awarded pursuant to this subchapter shall be treated as a tax expenditure for purposes of chapter 5 of this title.</u></p> <p><b>§ 41. CONFIDENTIALITY OF PROPRIETARY BUSINESS INFORMATION</b></p> <p><u>(a) The Vermont Economic Progress Council and the Department of Taxes shall use measures to protect proprietary financial information, including reporting information in an aggregate form.</u></p> <p><u>(b) Information and materials submitted by a business concerning its income taxes and other confidential financial information 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 or a standing committee of the General Assembly, and shall also be available to the Auditor of Accounts in connection with the performance of duties under section 163 of this title; provided, however, that the Joint Fiscal Office or its agent and the Auditor of Accounts shall not disclose, directly or indirectly, to any person any proprietary business information or any information that would identify a business except in accordance with a judicial order or as otherwise specifically provided by law.</u></p> <p><u>(c) Nothing in this section shall be construed to prohibit the publication of statistical information, rulings, determinations, reports, opinions, policies, or other information so long as the data are disclosed in a form that cannot identify or be associated with a particular business.</u></p> <p><b>§ 42. ANNUAL PROGRAM CAP</b></p> <p><u>(a) In each calendar year the Vermont Economic Progress Council may approve one or more incentives under this subchapter, the total value of which shall not exceed:</u></p> <p><u>(1) \$15,000,000.00 for one or more initial approvals; and</u></p>
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		<p>(2) \$10,000,000.00 for one or more final approvals.</p> <p>(b) The Council may increase the cap imposed in subdivision (a)(2) of this section by not more than \$5,000,000.00 upon application to, and approval of, the Emergency Board.</p> <p>(c) In evaluating the Council's request, the Board shall consider the economic and fiscal condition of the State, including recent revenue forecasts and budget projections.</p> <p>(d) The Council shall provide the Board with testimony, documentation, company-specific data, and any other information the Board requests to demonstrate that increasing the cap will create an opportunity for return on investment to the State.</p>	<p>(2) \$10,000,000.00 for one or more final approvals.</p> <p>(b) The Council may increase the cap imposed in subdivision (a)(2) of this section by not more than \$5,000,000.00 upon application by the Governor to, and approval of, the Joint Fiscal Committee.</p> <p>(c) In evaluating the Governor's request, the Committee shall consider the economic and fiscal condition of the State, including recent revenue forecasts and budget projections.</p> <p>(d) The Council shall provide the Committee with testimony, documentation, company-specific data, and any other information the Committee requests, to demonstrate that increasing the cap will create an opportunity for return on investment to the State.</p>
<p><b>VEGI – Conforming Statutory Changes</b></p>	<p>H.2– H.6</p>	<p>Sec. H.2. 10 V.S.A. § 531(d)(2) is amended to read:</p> <p>(2) disburse grant funds only for training hours that have been successfully completed by employees; provided that, except for an award under an enhanced training incentive for workforce training as provided in 32 V.S.A. § 5930b(h) 32 V.S.A. § 3336, a grant for on-the-job training shall either provide not more than 50 percent of wages for each employee in training; or not more than 50 percent of trainer expense, but not both, and further provided that training shall be performed in accordance with a training plan that defines the subject of the training, the number of training hours, and how the effectiveness of the training will be evaluated; and</p> <p>Sec. H.3. 21 V.S.A. § 1314(e)(1) is amended to read:</p> <p>(e)(1) Subject to such restrictions as the Board may by regulation prescribe, information from unemployment insurance records may be made available to any public officer or public agency of this or any other state or the federal government dealing with the administration or regulation of relief, public assistance, unemployment compensation, a system of public employment offices, wages and hours of employment, workers' compensation, misclassification or miscoding of workers, occupational safety and health, or a public works program for purposes appropriate to the necessary operation of those offices or agencies. The Commissioner may also make information available to colleges, universities, and public agencies of the State for use in connection with research projects of a public service nature, and to the Vermont Economic Progress Council with regard to the administration of 32 V.S.A. chapter 151, subchapter 11E 32 V.S.A. chapter 105, subchapter 2; but no person associated with those institutions or agencies may disclose that information in any manner that would reveal the identity of any individual or employing unit from or concerning whom the information was obtained by Commissioner.</p> <p style="text-align: center;">* * *</p> <p>Sec. H.4. 32 V.S.A. § 3102(e)(11) is amended to read:</p> <p>(11) To the Joint Fiscal Office or its agent, provided that the disclosure relates to a successful business applicant under section 5930a chapter 105, subchapter 2 of this title</p>	<p>Sec. H.2. 10 V.S.A. § 531(d)(2) is amended to read:</p> <p>(2) disburse grant funds only for training hours that have been successfully completed by employees; provided that, except for an award under an enhanced training incentive for workforce training as provided in 32 V.S.A. § 5930b(h) 32 V.S.A. § 36, a grant for on-the-job training shall either provide not more than 50 percent of wages for each employee in training; or not more than 50 percent of trainer expense, but not both, and further provided that training shall be performed in accordance with a training plan that defines the subject of the training, the number of training hours, and how the effectiveness of the training will be evaluated; and</p> <p>Sec. H.3. 21 V.S.A. § 1314(e)(1) is amended to read:</p> <p>(e)(1) Subject to such restrictions as the Board may by regulation prescribe, information from unemployment insurance records may be made available to any public officer or public agency of this or any other state or the federal government dealing with the administration or regulation of relief, public assistance, unemployment compensation, a system of public employment offices, wages and hours of employment, workers' compensation, misclassification or miscoding of workers, occupational safety and health, or a public works program for purposes appropriate to the necessary operation of those offices or agencies. The Commissioner may also make information available to colleges, universities, and public agencies of the State for use in connection with research projects of a public service nature, and to the Vermont Economic Progress Council with regard to the administration of 32 V.S.A. chapter 151, subchapter 11E 32 V.S.A. chapter 2, subchapter 2; but no person associated with those institutions or agencies may disclose that information in any manner that would reveal the identity of any individual or employing unit from or concerning whom the information was obtained by Commissioner.</p> <p style="text-align: center;">* * *</p> <p>Sec. H.4. 32 V.S.A. § 3102(e)(11) is amended to read:</p> <p>(11) To the Joint Fiscal Office or its agent, provided that the disclosure relates to a successful business applicant under section 5930a chapter 2, subchapter 2 of this title and</p>

		<p>and the <del>tax</del> 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 <del>subsection 5930a(h) that subchapter</del>; 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 <del>sections 5930a and 5930b</del> <b>chapter 105, subchapter 2</b> of this title and the <del>tax</del> incentive it has claimed and is reasonably necessary for the <del>council</del> <b>Council</b> to perform its duties under <del>sections 5930a and 5930b that subchapter</del>.</p> <p>Sec. H.5. 32 V.S.A. § 5401(10) is amended to read:  (10) "Nonresidential property" means all property except:  * * *</p> <p>(H) <del>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 Council under section 5930a of this title that is less than 75 percent complete, not in use as of April 1 of the applicable tax year, and for a period not to exceed two years. [Repealed.]</del></p> <p>(I) <del>Real property consisting of the value of remediation expenditures incurred by a business that has obtained the approval of the Vermont Economic Progress Council under section 5930a of this title for the construction of new, expanded or renovated facilities on contaminated property eligible under the redevelopment of contaminated properties program pursuant to 10 V.S.A. § 6615a(f), including supporting infrastructure, on sites eligible for the United States Environmental Protection Agency "Brownfield Program," for a period of 10 years. [Repealed.]</del>  * * *</p> <p>Sec. H.6. 32 V.S.A. § 5404a is amended to read:  § 5404a. TAX STABILIZATION AGREEMENTS; TAX INCREMENT FINANCING DISTRICTS</p> <p>(a) Tax agreements and exemptions affecting the education property tax grand list. A tax agreement or exemption shall affect the education property tax grand list of the municipality in which the property subject to the agreement is located if the agreement or exemption is:</p> <p>(1) A prior agreement, meaning that it was:  (A) a tax stabilization agreement for any purpose authorized under 24 V.S.A. § 2741 or comparable municipal charter provisions entered into or proposed and voted by the municipality before July 1, 1997, or a property tax exemption adopted by vote pursuant to chapter 125 of this title or comparable municipal charter provisions before July 1, 1997; or  (B) an agreement relating to property sold or transferred by the New England Power Company of its Connecticut River system and its facilities along the Deerfield River which was warned before September 1, 1997.</p> <p>(2) A tax stabilization agreement relating to industrial or commercial property entered into under 24 V.S.A. § 2741, or comparable municipal charter provisions <del>or an</del></p>	<p>the <del>tax</del> 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 <del>subsection 5930a(h) that subchapter</del>; 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 <del>sections 5930a and 5930b</del> <b>chapter 2, subchapter 2</b> of this title and the <del>tax</del> incentive it has claimed and is reasonably necessary for the <del>council</del> <b>Council</b> to perform its duties under <del>sections 5930a and 5930b that subchapter</del>.</p> <p>Sec. H.5. 32 V.S.A. § 5401(10) is amended to read:  (10) "Nonresidential property" means all property except:  * * *</p> <p>(H) <del>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 Council under section 5930a of this title that is less than 75 percent complete, not in use as of April 1 of the applicable tax year, and for a period not to exceed two years. [Repealed.]</del></p> <p>(I) <del>Real property consisting of the value of remediation expenditures incurred by a business that has obtained the approval of the Vermont Economic Progress Council under section 5930a of this title for the construction of new, expanded or renovated facilities on contaminated property eligible under the redevelopment of contaminated properties program pursuant to 10 V.S.A. § 6615a(f), including supporting infrastructure, on sites eligible for the United States Environmental Protection Agency "Brownfield Program," for a period of 10 years. [Repealed.]</del>  * * *</p> <p>Sec. H.6. 32 V.S.A. § 5404a is amended to read:  § 5404a. TAX STABILIZATION AGREEMENTS; TAX INCREMENT FINANCING DISTRICTS</p> <p>(a) Tax agreements and exemptions affecting the education property tax grand list. A tax agreement or exemption shall affect the education property tax grand list of the municipality in which the property subject to the agreement is located if the agreement or exemption is:</p> <p>(1) A prior agreement, meaning that it was:  (A) a tax stabilization agreement for any purpose authorized under 24 V.S.A. § 2741 or comparable municipal charter provisions entered into or proposed and voted by the municipality before July 1, 1997, or a property tax exemption adopted by vote pursuant to chapter 125 of this title or comparable municipal charter provisions before July 1, 1997; or  (B) an agreement relating to property sold or transferred by the New England Power Company of its Connecticut River system and its facilities along the Deerfield River which was warned before September 1, 1997.</p> <p>(2) A tax stabilization agreement relating to industrial or commercial property entered into under 24 V.S.A. § 2741, or comparable municipal charter provisions <del>or an</del></p>
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		<p>exemption for the purposes of economic development adopted by vote under sections 3834 (factories; quarries; mines), 3836 (private homes and dwellings), 3837 (airports), or 3838 (hotels) of this title or comparable municipal charter provisions after June 30, 1997 if subsequently approved by the Vermont Economic Progress Council pursuant to this subsection and section 5930a of this title. An agreement or exemption may be approved by the Vermont Economic Progress Council only if it has first been approved by the municipality in which the property is located with respect to the municipal tax liability of the property in that municipality. Any agreement or exemption approved by the Vermont Economic Progress Council may not affect the education tax liability of the property in a greater proportion than the agreement or exemption affects the municipal tax liability of the property. A municipality's approval of an agreement or exemption under this subsection may be made conditional upon approval of the agreement or exemption by the Vermont Economic Progress Council. The legislative body of the municipality in which the property subject to the agreement or exemption is located or the business that is subject to the agreement or exemption may request the Vermont Economic Progress Council to approve an agreement or exemption pursuant to section 5930a of this title. The Council shall also report to the General Assembly on the terms of the agreement or exemption, and the effect of the agreement or exemption on the education property tax grand list of the municipality and of the State. If so approved by the Council, an agreement or exemption shall be effective to reduce the property tax liability of the municipality under this chapter beginning April 1 of the year following approval.</p> <p>(3) An agreement relating to affordable housing, which may be submitted to the council for its approval under subdivision (2) of this subsection, or alternatively may be approved under this subdivision by the Commissioner of Taxes upon recommendation of the Commissioner of Housing and Community Affairs provided the agreement provides either for new construction housing projects or rehabilitated preexisting housing projects and secures federal financial participation which may include projects financed with federal low income housing tax credits.</p> <p style="text-align: center;">* * *</p> <p>(b) An agreement affecting the education property tax grand list defined under subsection (a) of this section shall reduce the municipality's education property tax liability under this chapter for the duration of the agreement or exemption without extension or renewal, and for a maximum of 10 years, subject to the provisions of subsection 5930b(f) of this title. A municipality's property tax liability under this chapter shall be reduced by any difference between the amount of the education property taxes collected on the subject property and the amount of education property taxes that would have been collected on such property if its fair market value were taxed at the equalized nonresidential rate for the tax year.</p> <p>(c) Tax agreements not affecting the education property tax grand list. A tax agreement shall not affect the education property tax grand list if it is:</p> <p>(1) A tax exemption adopted by vote of a municipality after July 1, 1997 under chapter 125 of this title, or voted under a comparable municipal charter provision or other provision of law for property owned by nonprofit organizations used for public, pious, or charitable purposes, other than economic development exemptions voted under section</p>	<p>exemption for the purposes of economic development adopted by vote under sections 3834 (factories; quarries; mines), 3836 (private homes and dwellings), 3837 (airports), or 3838 (hotels) of this title or comparable municipal charter provisions after June 30, 1997 if subsequently approved by the Vermont Economic Progress Council pursuant to this subsection and section 5930a of this title. An agreement or exemption may be approved by the Vermont Economic Progress Council only if it has first been approved by the municipality in which the property is located with respect to the municipal tax liability of the property in that municipality. Any agreement or exemption approved by the Vermont Economic Progress Council may not affect the education tax liability of the property in a greater proportion than the agreement or exemption affects the municipal tax liability of the property. A municipality's approval of an agreement or exemption under this subsection may be made conditional upon approval of the agreement or exemption by the Vermont Economic Progress Council. The legislative body of the municipality in which the property subject to the agreement or exemption is located or the business that is subject to the agreement or exemption may request the Vermont Economic Progress Council to approve an agreement or exemption pursuant to section 5930a of this title. The Council shall also report to the General Assembly on the terms of the agreement or exemption, and the effect of the agreement or exemption on the education property tax grand list of the municipality and of the State. If so approved by the Council, an agreement or exemption shall be effective to reduce the property tax liability of the municipality under this chapter beginning April 1 of the year following approval.</p> <p>(3) An agreement relating to affordable housing, which may be submitted to the council for its approval under subdivision (2) of this subsection, or alternatively may be approved under this subdivision by the Commissioner of Taxes upon recommendation of the Commissioner of Housing and Community Affairs provided the agreement provides either for new construction housing projects or rehabilitated preexisting housing projects and secures federal financial participation which may include projects financed with federal low income housing tax credits.</p> <p style="text-align: center;">* * *</p> <p>(b) An agreement affecting the education property tax grand list defined under subsection (a) of this section shall reduce the municipality's education property tax liability under this chapter for the duration of the agreement or exemption without extension or renewal, and for a maximum of 10 years, subject to the provisions of subsection 5930b(f) of this title. A municipality's property tax liability under this chapter shall be reduced by any difference between the amount of the education property taxes collected on the subject property and the amount of education property taxes that would have been collected on such property if its fair market value were taxed at the equalized nonresidential rate for the tax year.</p> <p>(c) Tax agreements not affecting the education property tax grand list. A tax agreement shall not affect the education property tax grand list if it is:</p> <p>(1) A tax exemption adopted by vote of a municipality after July 1, 1997 under chapter 125 of this title, or voted under a comparable municipal charter provision or other provision of law for property owned by nonprofit organizations used for public, pious, or charitable purposes, other than economic development exemptions voted under section</p>
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			<p>3834, 3836, 3837, or 3838 of this title and approved by the Vermont Economic Progress Council, or exemptions of property of a nonprofit volunteer fire, rescue, or ambulance organization adopted by vote of a municipality.</p> <p>(2) A tax stabilization agreement relating to agricultural property, <del>forest land</del> <u>forestland</u>, open space land, or alternate energy generating plants entered into after July 1, 1997 by a municipality under 24 V.S.A. § 2741.</p> <p>(3) A tax stabilization agreement relating to commercial or industrial property entered into after July 1, 1997 by a municipality under 24 V.S.A. § 2741, <u>or a property tax exemption for purposes of economic development adopted by vote after July 1, 1997, which has not been approved by the Vermont Economic Progress Council to affect the education grand list under subsection (a)(2) of this section and section 5930a of this title.</u> <del>In granting tax stabilization agreements for commercial or industrial property under 24 V.S.A. § 2741, a municipality shall consider any applicable guidelines established for the approval of such stabilization agreements by the Vermont Economic Progress Council established in subsection 5930a(c) of this title.</del></p> <p style="text-align: center;">* * *</p>	<p>3834, 3836, 3837, or 3838 of this title and approved by the Vermont Economic Progress Council, or exemptions of property of a nonprofit volunteer fire, rescue, or ambulance organization adopted by vote of a municipality.</p> <p>(2) A tax stabilization agreement relating to agricultural property, <del>forest land</del> <u>forestland</u>, open space land, or alternate energy generating plants entered into after July 1, 1997 by a municipality under 24 V.S.A. § 2741.</p> <p>(3) A tax stabilization agreement relating to commercial or industrial property entered into after July 1, 1997 by a municipality under 24 V.S.A. § 2741, <u>or a property tax exemption for purposes of economic development adopted by vote after July 1, 1997, which has not been approved by the Vermont Economic Progress Council to affect the education grand list under subsection (a)(2) of this section and section 5930a of this title.</u> <del>In granting tax stabilization agreements for commercial or industrial property under 24 V.S.A. § 2741, a municipality shall consider any applicable guidelines established for the approval of such stabilization agreements by the Vermont Economic Progress Council established in subsection 5930a(c) of this title.</del></p> <p style="text-align: center;">* * *</p>
<b>VEGI – Statutory Purpose</b>	H.7	H.7	<p>Sec. H.7. 32 V.S.A. § 5813 is amended to read: § 5813. STATUTORY PURPOSES</p> <p style="text-align: center;">* * *</p> <p>(u) The statutory purpose of the <del>Vermont employment growth incentive Vermont Employment Growth Incentive Program in section 5930b</del> <u>Vermont Employment Growth Incentive Program in section 5930b</u> chapter 105, subchapter 2 of this title is <u>to provide a cash incentive to encourage quality job growth in Vermont encourage a business to add incremental and qualifying payroll, jobs, and capital investments by sharing with the business a portion of the revenue generated by the new payroll, new jobs, and new capital investments, thereby generating net new revenues to the State.</u></p> <p style="text-align: center;">* * *</p>	<p>Sec. H.7. 32 V.S.A. § 5813 is amended to read: § 5813. STATUTORY PURPOSES</p> <p style="text-align: center;">* * *</p> <p>(u) The statutory purpose of the <del>Vermont employment growth incentive Vermont Employment Growth Incentive Program in section 5930b</del> <u>Vermont Employment Growth Incentive Program in section 5930b</u> chapter 2, subchapter 2 of this title is <u>to provide a cash incentive to encourage quality job growth in Vermont.</u></p> <p style="text-align: center;">* * *</p>
<b>VEGI – Conforming Statutory Changes</b>	H.8– H.9	H.8– H.9	As Passed House and Senate	As Passed House and Senate
<b>VEGI – Extension of Current Statutory Authority to Award Incentives</b>	H.10	-	<p><b>Sec. H.10. EXTENSION OF CURRENT VEGI STATUTE; TRANSITION</b></p> <p>Sec. 3(c) of No. 184 of the Acts of the 2005 Adj. Sess. (2006), as amended by Sec. 2 of No. 52 of the Acts of 2011, and as further amended by 2012 Acts and Resolves No. 143, Sec. 20, is amended to read:</p> <p>(c) Beginning April 1, 2009, the economic incentive review board is authorized to grant payroll-based growth incentives pursuant to the Vermont employment growth incentive program established by Sec. 9 of this act. Unless extended by act of the General Assembly, as of <del>July 1, 2017</del> <u>January 1, 2018</u>, no new Vermont employment growth incentive (VEGI) awards under 32 V.S.A. § 5930b may be made. Any VEGI awards granted prior to <del>July 1, 2017</del> <u>January 1, 2018</u> may remain in effect until used <u>and shall be governed by the provisions of 32 V.S.A chapter 105.</u></p>	<p style="text-align: center;">Current law –</p> <p>Authority to award incentives under current statutory authority, 32 V.S.A. §§ 5930a-5930b, <u>expires July 1, 2017</u></p>

<p><b>VEGI – Prospective Repeal of Current Statute</b></p>	<p>H.11</p>	<p>-</p>	<p>Sec. H.11. PROSPECTIVE REPEAL OF CURRENT VEGI STATUTE  <u>32 V.S.A. §§ 5930a and 5930b are repealed.</u>                       Effective: January 1, 2018</p>	<p>Current law –                      Authority to award incentives under current statutory authority, 32 V.S.A. §§ 5930a-5930b,  <u>expires July 1, 2017</u>                       32 V.S.A. §§ 5930a-5930b are not repealed</p>
<p><b>VEGI – Prospective Repeal of Authority to Award Incentives (Sunset)</b></p>	<p>H.12</p>	<p>H.10</p>	<p><b>Sec. H.12. VEGI; REPEAL OF AUTHORITY TO AWARD INCENTIVES</b>  <u>Notwithstanding any provision of law to the contrary, the Vermont Economic Progress Council shall not accept or approve an application for a Vermont Employment Growth Incentive under 32 V.S.A. chapter 105, subchapter 2 on or after January 1, 2022.</u></p>	<p><b>Sec. H.10. REPEAL</b>  <u>32 V.S.A §§ 30–42 (Vermont Employment Growth Incentive Program) shall be repealed on July 1, 2020.</u></p>
<p><b>VEGI – Program Review – Policy Issues</b></p>	<p>H.13</p>	<p>H.12</p>	<p>Sec. H.13. VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM REVIEW</p> <p>(a) <u>On or before August 15, 2016, the Vermont Economic Progress Council shall convene a Vermont Employment Growth Incentive Program Review Group.</u></p> <p>(b) <u>The Group shall consist of the following members:</u>                      (1) <u>the Executive Director of the Vermont Economic Progress Council;</u>                      (2) <u>a representative of the Vermont Regional Development Corporations appointed by the Secretary of Commerce and Community Development;</u>                      (3) <u>a representative of the business community designated by the Governor; and</u>                      (4) <u>a member of the public designated jointly by the Speaker of the House and the Senate Committee on Committees.</u></p> <p>(c) <u>The Group shall review the following questions relating to the Vermont Employment Growth Incentive Program:</u></p> <p>(1) <u>whether the enhanced incentives available under the program are appropriate and necessary, including:</u>                      (A) <u>an analysis of the growth in the environmental technology sector in Vermont as defined in the enhanced incentive for environmental technology business and whether growth in this sector obviates the need for the current enhancement; and</u>                      (B) <u>whether the State should forego additional net fiscal benefit under the enhancements and whether the policy objectives of the enhancements are met;</u></p> <p>(2) <u>whether and how to include a mechanism in the Program for equity investments in incentive recipients;</u></p> <p>(3) <u>whether and under what circumstances the Department of Taxes should have, and should exercise, the authority to recapture the value of incentives paid to a business that is subsequently sold or relocated out of the State, or that eliminates qualifying jobs after receiving an incentive;</u></p>	<p>Sec. H.12. VERMONT EMPLOYMENT GROWTH INCENTIVE; REVIEW</p> <p>(a) <u>The Vermont Economic Progress Council shall review the following policy questions relating to the Vermont Employment Growth Incentive Program:</u></p> <p>(1) <u>whether and how to include a mechanism in the Program for equity investments in incentive recipients or to recoup incentive payments in the event an incentive recipient is sold;</u></p>

		<p>(4) how to most effectively ensure, through the application and award process, that recipients of VEGI incentives are in compliance with all federal and State water quality and air quality laws and regulations;</p> <p>(5) the size, industry, and profile of the businesses that historically have experienced, and are forecast to experience, the most growth in Vermont, and whether the Program <b>should be</b> more targeted to these businesses;</p> <p>(6) changes to the Program to ensure incentives will benefit the creation and growth of more small businesses; and</p> <p>(7) whether additional applicant and program data reporting and transparency could be accomplished without damage to applicant businesses.</p> <p>(d) <b>On or before January 15, 2018, the Group shall report</b> its findings, conclusions, recommendations, and supporting data for legislative action to the House Committees on Commerce and Economic Development, on Ways and Means, and on Appropriations, and to the Senate Committees on Economic Development, Housing and General Affairs, on Finance, and on Appropriations.</p>	<p>(2) how to most effectively ensure, through the application and award process, that recipients of VEGI incentives are in compliance with all federal and State water quality and air quality laws and regulations.</p> <p>(3) the size, industry, and profile of the businesses that historically have experienced, and are forecasted to experience, the most growth in Vermont, and whether the Program <b>can be</b> more targeted to these businesses; and</p> <p>(4) changes to the Program to ensure incentives will benefit the creation and growth of more small businesses.</p> <p>(b) <b>On or before January 15, 2017, the Council shall report</b> its findings, conclusions, recommendations, and supporting data for legislative action to the House Committees on Commerce and Economic Development, on Ways and Means, and on Appropriations, and to the Senate Committees on Economic Development, Housing and General Affairs, on Finance, and on Appropriations.</p>
<p><b>VEGI – Program Review – Technical Issues</b></p>	<p>H.14</p>	<p>Sec. H.14. VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM; TECHNICAL WORKING GROUP REVIEW</p> <p>(a) The Joint Fiscal Committee shall convene a Vermont Employment Growth Incentive Program Technical Working Group that shall consist of the following members, as designated by the Committee:</p> <p>(1) the legislative economist or another designee from the Joint Fiscal Office;</p> <p>(2) a policy analyst from the Agency of Commerce and Community Development;</p> <p>(3) an economic and labor market information chief from the Department of Labor;</p> <p>and</p> <p>(4) a fiscal analyst from the Department of Taxes or the State economist.</p> <p>(b) The Group shall meet not more than twice and shall review the following questions relating to the Vermont Employment Growth Incentive Program:</p> <p>(1) whether the cost-benefit model is the most current and appropriate tool for evaluating fiscal impacts of the Program and whether it is effectively utilized;</p> <p>(2) whether the inputs to the cost-benefit model should be adjusted for those</p>	<p>Sec. H.11. VERMONT EMPLOYMENT GROWTH INCENTIVE TECHNICAL WORKING GROUP</p> <p>(a) <b>On or before August 15, 2016,</b> the Joint Fiscal Committee shall convene a Vermont Employment Growth Incentive Technical Working Group composed of the following:</p> <p>(1) the State legislative economist;</p> <p>(2) the State executive economist;</p> <p>(3) a policy analyst from the Agency of Commerce and Community Development;</p> <p>(4) an economic and labor market information chief from the Department of Labor;</p> <p>(5) a fiscal analyst from the Department of Taxes; and</p> <p>(6) the Executive Director of the Vermont Economic Progress Council, who shall serve as a nonvoting ex officio member of the Group.</p> <p>(b) The Technical Working Group shall review technical questions relating to the Vermont Employment Growth Incentive Program cost-benefit model, including a review of whether the Program can integrate the use of business-specific background growth rates in addition to, or in place of, industry-specific background growth rates; and if industry-specific background growth rates are recommended, a methodology to review, calculate, and set those rates routinely.</p>

			<p><u>applicants who assert that but for the incentive the scale or timing of the project would change;</u></p> <p><u>(3) whether the Program can integrate the use of business-specific background growth rates in addition to, or in place of, industry-specific background growth rates; and, if industry-specific background growth rates are recommended, a methodology to review, calculate, and set those rates routinely; and</u></p> <p><u>(4) whether differential rates in annual average wages or annual average unemployment, defined by labor market area, are appropriate triggers for an incentive enhancement for projects located in, or lower wage threshold for jobs created in, qualifying labor market areas, and whether the margins of error in annual labor market area wage and unemployment rates are within an acceptable range of tolerance for this use.</u></p> <p><u>(c) On or before November 15, 2016 the Group shall submit a report of its findings and conclusions to the Joint Fiscal Committee, the VEGI Program Review Group, and the General Assembly.</u></p>	<p><u>(c) On or before January 15, 2017, the Working Group shall report its findings, conclusions, recommendations, and supporting data for legislative action to the House Committees on Commerce and Economic Development, on Ways and Means, and on Appropriations, and to the Senate Committees on Economic Development, Housing and General Affairs, on Finance, and on Appropriations.</u></p>
<b>VEGI – Review – Qualifying Job – Benefits</b>	H.15	-	<p>Sec. H.15. VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM; QUALIFYING JOB; BENEFITS; REVIEW</p> <p><u>On or before December 15, 2016, the Vermont Economic Progress Council shall consider and report its recommendations to the House Committees on Commerce and Economic Development, on Ways and Means, and on Appropriations, and to the Senate Committees on Economic Development, Housing and General Affairs, on Finance, and on Appropriations, on quantifiable standards for the type, quality, and value of employee benefits that an applicant must offer in order for a new job to count as a “qualifying job” for purposes of the Vermont Employment Growth Incentive Program.</u></p>	-
<b>Blockchain Technology Enabling</b>	I.1	I.1	As Passed House and Senate	As Passed House and Senate
<b>Study – Regulation of Internet-Based Lodging Accommodations</b>	J.1	J.1	As Passed House and Senate	As Passed House and Senate
<b>State Workforce Development Board</b>	K.1–K.3	K.1–K.3	As Passed House and Senate	As Passed House and Senate
<b>Vermont Creative Network – Creation</b>	L.1	L.1	<p>Sec. L.1. VERMONT CREATIVE NETWORK</p> <p><u>(a) Creation. The Vermont Arts Council, an independent nonprofit corporation, in collaboration with statewide partners, shall perform the duties specified in this section and establish the Vermont Creative Network, which shall be:</u></p> <p><u>(1) a communications, advocacy, and capacity-building entity that strengthens Vermont’s creative sector, utilizes it to enhance Vermonters’ quality of life, increases the State’s economic vitality; and</u></p>	<p>Sec. L.1. VERMONT CREATIVE NETWORK</p> <p><u>(a) Creation. The Vermont Arts Council, an independent nonprofit corporation, in collaboration with statewide partners, shall perform the duties specified in this section and establish the Vermont Creative Network, which shall be:</u></p> <p><u>(1) a communications, advocacy, and capacity-building entity that strengthens Vermont’s creative sector, utilizes it to enhance Vermonters’ quality of life, increases the State’s economic vitality; and</u></p>

		<p><u>(2) based on a collective impact model and shall use Results Based Accountability as a planning and assessment tool.</u></p> <p><u>(b) Outcomes and Indicators.</u></p> <p><u>(1) The outcomes of the Vermont Creative Network are as follows:</u></p> <p><u>(A) The Vermont creative sector enhances Vermonters’ quality of life and has a positive economic impact on the State.</u></p> <p><u>(B) Participants in Vermont’s creative sector thrive as significant contributors to the State’s general and economic well-being.</u></p> <p><u>(C) Participants in Vermont’s creative sector effectively share their talents with a broad range of Vermonters and visitors throughout the State.</u></p> <p><u>(D) The creative sector focuses its collective energy on planning and development to advance the creative sector and its contributions to Vermonters’ quality of life and the State’s economic well-being.</u></p> <p><u>(E) Participants in Vermont’s creative sector collaborate to identify, advocate on behalf of, and promote common interests.</u></p> <p><u>(2) Indicators to measure the success of these outcomes include the following:</u></p> <p><u>(A) advancement of quality of life measures;</u></p> <p><u>(B) improvements in planning and development;</u></p> <p><u>(C) increases in workforce development;</u></p> <p><u>(D) increases in economic activity;</u></p> <p><u>(E) inclusion of creativity and innovation in the Vermont brand;</u></p> <p><u>(F) increases in access and equity;</u></p> <p><u>(G) increases in sustainability; and</u></p> <p><u>(H) cross-pollination with other sectors.</u></p> <p><u>(c) Duties. <b>With oversight and support from the Vermont Arts Council,</b> the Vermont Creative Network shall perform the following duties:</u></p> <p><u>(1) On or before June 30, 2017, the Vermont Creative Network shall create, and may update and revise as necessary, a strategic plan that:</u></p> <p><u>(A) identifies and addresses the needs of the creative sector and gaps in the creative sector’s infrastructure;</u></p> <p><u>(B) includes a plan to inventory Vermont’s creative sector and creative industries based on existing data, studies, and analysis, including:</u></p> <p><u>(i) existing assets, infrastructure, and resources;</u></p> <p><u>(ii) the potential for new creators to enter the local economy, the methods to secure appropriate space and other infrastructure, and the opportunities and barriers to creative labor;</u></p> <p><u>(iii) the types of creative products, services, and industries available in Vermont, and the financial viability of each; and</u></p> <p><u>(iv) the current and potential markets in which Vermont creators can promote, distribute, and sell their products and services.</u></p> <p><u>(2) The Vermont Creative Network shall support regional creativity zones.</u></p> <p><u>(3) The Vermont Creative Network shall identify methods and opportunities to strengthen the links within the sector, including:</u></p> <p><u>(A) advocacy for the use of local arts and cultural resources by Vermont</u></p>	<p><u>(2) based on a collective impact model and shall use Results Based Accountability as a planning and assessment tool.</u></p> <p><u>(b) Outcomes and Indicators.</u></p> <p><u>(1) The outcomes of the Vermont Creative Network are as follows:</u></p> <p><u>(A) The Vermont creative sector enhances Vermonters’ quality of life and has a positive economic impact on the State.</u></p> <p><u>(B) Participants in Vermont’s creative sector thrive as significant contributors to the State’s general and economic well-being.</u></p> <p><u>(C) Participants in Vermont’s creative sector effectively share their talents with a broad range of Vermonters and visitors throughout the State.</u></p> <p><u>(D) The creative sector focuses its collective energy on planning and development to advance the creative sector and its contributions to Vermonters’ quality of life and the State’s economic well-being.</u></p> <p><u>(E) Participants in Vermont’s creative sector collaborate to identify, advocate on behalf of, and promote common interests.</u></p> <p><u>(2) Indicators to measure the success of these outcomes include the following:</u></p> <p><u>(A) advancement of quality of life measures;</u></p> <p><u>(B) improvements in planning and development;</u></p> <p><u>(C) increases in workforce development;</u></p> <p><u>(D) increases in economic activity;</u></p> <p><u>(E) inclusion of creativity and innovation in the Vermont brand;</u></p> <p><u>(F) increases in access and equity;</u></p> <p><u>(G) increases in sustainability; and</u></p> <p><u>(H) cross-pollination with other sectors.</u></p> <p><u>(c) Duties. The Vermont Creative Network shall perform the following duties:</u></p> <p><u>(1) On or before June 30, 2017, the Vermont Creative Network shall create, and may update and revise as necessary, a strategic plan that:</u></p> <p><u>(A) identifies and addresses the needs of the creative sector and gaps in the creative sector’s infrastructure;</u></p> <p><u>(B) includes a plan to inventory Vermont’s creative sector and creative industries based on existing data, studies, and analysis, including:</u></p> <p><u>(i) existing assets, infrastructure, and resources;</u></p> <p><u>(ii) the potential for new creators to enter the local economy, the methods to secure appropriate space and other infrastructure, and the opportunities and barriers to creative labor;</u></p> <p><u>(iii) the types of creative products, services, and industries available in Vermont, and the financial viability of each; and</u></p> <p><u>(iv) the current and potential markets in which Vermont creators can promote, distribute, and sell their products and services.</u></p> <p><u>(2) The Vermont Creative Network shall support regional creativity zones.</u></p> <p><u>(3) The Vermont Creative Network shall identify methods and opportunities to strengthen the links within the sector, including:</u></p> <p><u>(A) advocacy for the use of local arts and cultural resources by Vermont schools, businesses, and institutions;</u></p>
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			<p>schools, businesses, and institutions;</p> <p><u>(B) support for initiatives that improve direct marketing of arts, culture, and creativity to consumers; and</u></p> <p><u>(C) identifying creative financing opportunities for the creative sector.</u></p> <p><u>(d) Authority. To accomplish the goals and perform the duties in this section, the Vermont Creative Network may:</u></p> <p><u>(1) create a Network steering team;</u></p> <p><u>(2) hire or assign staff;</u></p> <p><u>(3) seek and accept funds from private and public entities; and</u></p> <p><u>(4) utilize technical assistance, loans, grants, or other means approved by the Network steering team.</u></p> <p><u>(e) Report.</u></p> <p><u>(1) On or before January 15, 2017, the Vermont Arts Council shall submit a report concerning the activities of the Vermont Creative Network to the Governor and to the General Assembly.</u></p> <p><u>(2) The report shall include a summary of work, including progress toward meeting the program outcomes, information regarding any meetings of the Network steering team, an accounting of all revenues and expenses related to the Network, and recommendations regarding future Network activity.</u></p>	<p><u>(B) support for initiatives that improve direct marketing of arts, culture, and creativity to consumers; and</u></p> <p><u>(C) identifying creative financing opportunities for the creative sector.</u></p> <p><u>(d) Authority. To accomplish the goals and perform the duties in this section, the Vermont Creative Network may:</u></p> <p><u>(1) create a Network steering team;</u></p> <p><u>(2) hire or assign staff;</u></p> <p><u>(3) seek and accept funds from private and public entities; and</u></p> <p><u>(4) utilize technical assistance, loans, grants, or other means approved by the Network steering team.</u></p> <p><u>(e) Report.</u></p> <p><u>(1) On or before January 15, 2017, the Vermont Creative Network shall submit a report concerning its activities to the Governor and to the General Assembly.</u></p> <p><u>(2) The report shall include a summary of work, including progress toward meeting the program outcomes, information regarding any meetings of the Network steering team, an accounting of all revenues and expenses related to the Network, and recommendations regarding future Network activity.</u></p>
<b>Vermont Creative Network – Appropriation</b>	L.2	L.2	<p><b>Sec. L.2. ALLOCATION OF APPROPRIATIONS TO VERMONT ARTS COUNCIL</b></p> <p><u>Of the amounts appropriated from the General Fund to the Vermont Arts Council in Fiscal Year 2017, the Council shall allocate the amount of \$35,000.00 to perform the duties specified in Sec. L.1 of this act (Vermont Creative Network).</u></p>	<p><b>Sec. L.2. APPROPRIATION</b></p> <p><u>In Fiscal Year 2017, the amount of \$35,000.00 is appropriated from the General Fund to the Vermont Arts Council to perform the duties specified in this act.</u></p>
<b>Vermont Creative Network – Implementation</b>	-	L.3	-	<p><b>Sec. L.3. IMPLEMENTATION</b></p> <p><u>Notwithstanding any provision of this act to the contrary, if the General Assembly does not appropriate \$35,000.00 or more in funding to the Vermont Arts Council to implement this act, the Council is encouraged, but is not required, to perform the duties specified in Sec. L.1 of this act.</u></p>
<b>Employee Ownership – Appropriation – Feasibility Studies</b>	-	M.2	-	<p><b>Sec. M.2. EXPANDING EMPLOYEE OWNERSHIP; FEASIBILITY STUDIES FOR EMPLOYEE STOCK OWNERSHIP PLANS AND WORKER COOPERATIVE CONVERSIONS; APPROPRIATION</b></p> <p><u>(a) The amount of \$35,000.00 is appropriated from the General Fund to the Agency of Commerce and Community Development in fiscal year 2017 to support feasibility studies for the creation of an employee stock ownership plan or worker, for up to one-half of the cost of the study, with a maximum of \$25,000.00 per company.</u></p> <p><u>(b) On or before January 1, 2018, the Agency shall submit a report to the General Assembly and the Governor detailing the expenditure of sums appropriated pursuant to this section and evaluating the success of the assistance and promotion program.</u></p>
<b>Veterans Entrepreneurship</b>	-	N.1–	-	<p><b>Sec. N.1. FINDINGS AND PURPOSE</b></p>

		N.3		<p>(a) The General Assembly finds:</p> <p>(1) <u>Veterans employ 5.7 million people within the United States.</u></p> <p>(2) <u>Veterans own or lead 30 percent of all businesses in the United States.</u></p> <p>(b) The purposes of this act are to:</p> <p>(1) <u>incentivize U.S. and Vermont veterans to establish and maintain viable businesses within the State of Vermont;</u></p> <p>(2) <u>create jobs and businesses with a higher rate of success within the State, fostering economic development;</u></p> <p>(3) <u>continue to utilize the resources that military personnel provide to local communities and business ethics after their extensive leadership training and experiences;</u></p> <p>(4) <u>provide additional revenue and attract out-of-state talent and ideas;</u></p> <p>(5) <u>increase population size in the State; and</u></p> <p>(6) <u>foster an environment that encourages small business growth within the State.</u></p> <p>Sec. N.2. 10 V.S.A. § 14 is added to read:</p> <p><b>§ 14. VETERANS ENTREPRENEURSHIP PROGRAM</b></p> <p>(a) <u>In each economic development program that operates with State funds or makes loans, grants, services, or other economic development incentives of or using State funds, the program shall give preference from among its applicants, which are otherwise qualified and substantially equivalent, to a business in which one or more qualifying veterans holds a majority of the ownership interest.</u></p> <p>(b) <u>As used in this section, “qualifying veteran” means a resident of Vermont who served on active duty in the U.S. Armed Forces or the Vermont National Guard or Vermont Air National Guard and who received an honorable discharge.</u></p> <p>Sec. N.3. IMPLEMENTATION</p> <p><u>On or before January 15, 2017, each economic development program operator subject to 10 V.S.A. § 9 shall report to the House Committees on General, Housing and Military Affairs and on Commerce and Economic Development and to the Senate Committee on Economic Development, Housing and General Affairs on the policies or procedures it has adopted to comply with 10 V.S.A. § 9.</u></p>
<p><b>Vermont Sustainable Jobs Fund – Technical Corrections</b></p>	<p>O.1– O.2</p>	<p>O.1– O.2</p>	<p>As Passed House and Senate</p>	<p>As Passed House and Senate</p>
<p><b>Southern Vermont Planning and Economic Development – Sustainable Marketing Project</b></p>	<p>-</p>	<p>P.1</p>	<p>-</p>	<p>Sec. P.1. SOUTHERN VERMONT SUSTAINABLE MARKETING PROJECT; APPROPRIATION</p> <p><u>In fiscal year 2017, of the amounts paid by Entergy Nuclear Vermont Yankee, LLC to the State of Vermont pursuant paragraph 11 of the December 23, 2013 Memorandum of Understanding in Public Service Board Docket No. 7862 to promote economic development in Windham County, the Secretary of Commerce and Community Development shall transfer \$75,000.00 to the Brattleboro Development Credit Corporation to implement a Southern Vermont Sustainable Recruitment and Marketing Project, a publicly and privately funded multi-faceted marketing campaign that serves as a vehicle for employers across the Southern Vermont Economic Development Zone to collaboratively promote and recruit employees and visitors to southern Vermont.</u></p>

<p><b>Southern Vermont Planning and Economic Development – Bennington County Planning</b></p>	<p>-</p>	<p>P.2</p>	<p>-</p>	<p>Sec. P.2. BENNINGTON COUNTY ECONOMIC DEVELOPMENT PLANNING; APPROPRIATION  <u>In fiscal year 2017, the amount of \$50,000.00 is appropriated from the General Fund to the Bennington County Regional Commission, which the Commission shall use to:</u>  <u>(1) identify Bennington County region businesses, institutions, individuals, and resources that are critical for building a partnership with the Windham County region;</u>  <u>(2) establish a steering committee of interested parties, consistent with guidelines established by the U.S. Economic Development Administration for Comprehensive Economic Development Strategy steering committees, to serve as the foundation for economic development work in the Bennington County region;</u>  <u>(3) focus the steering committee, the private sector, and municipalities on the process required for developing a Comprehensive Economic Development Strategy, and solicit commitments, as appropriate, from these parties for performing the work;</u>  <u>(4) publicize the initiative to build support for performing regional economic development work; and</u>  <u>(5) partner with the Windham County region to host a Southern Vermont Economic Development Summit, to share economic success stories from southern Vermont and present the steps needed to develop the Southern Vermont Comprehensive Economic Development Strategy.</u></p>
<p><b>Cross Border Tax Study</b></p>	<p>-</p>	<p>Q.1</p>	<p>-</p>	<p>Sec. Q.1. CROSS BORDER STUDY; REPORT  <u>(a) The Legislative Economist shall perform a study on the relative long-term economic impacts of Vermont and New Hampshire tax policies affecting retail business competitiveness, including:</u>  <u>(1) impacts on the pattern of retailing, the location of retail activity, and retail market share;</u>  <u>(2) impacts of retail sales tax rates and other related excise taxes, including on tobacco products, and to the extent data are available, on alcohol and gasoline; and</u>  <u>(3) the impact by business size, to the extent data are available.</u>  <u>(b) On or before January 15, 2017, the Legislative Economist shall submit to the House Committee on Ways and Means and the Senate Committee on Finance his or her report.</u>  <u>(c)(1) For the purposes of this section, the Legislative Economist shall have the assistance of the Departments of Taxes and of Liquor Control, the Office of Legislative Council, and the Joint Fiscal Office.</u>  <u>(2) The Joint Fiscal Office shall bear the costs of the study and report required by this section from the amounts appropriated to it in fiscal year 2017.</u></p>
<p><b>Vermont Tax Study</b></p>	<p>Q.2</p>	<p>-</p>	<p>Sec. Q.2. VERMONT TAX STUDY  <u>(a) The Joint Fiscal Office, with assistance from the Office of Legislative Council, and under the direction of the Joint Fiscal Committee, shall conduct a study of Vermont State taxes.</u>  <u>(b) The study shall:</u>  <u>(1) Analyze historical trends since 2005 in Vermont taxes as compared to other</u></p>	<p>-</p>

			<p>states, and compare the percentage of Vermont revenue from each State-level source to the percentage of revenue from each state-level source in other states.</p> <p>(2) Analyze State tax burdens per capita, per income level, or by incidence on typical Vermont families of a variety of incomes, and on typical Vermont business enterprises of a variety of sizes and types, and analyze trends in the taxpayer revenue base.</p> <p>(3) Analyze cross-border tax policies and competitiveness with neighboring states, including impacts on the pattern of retailing, the location of retail activity, and retail market share.</p> <p>(4) Review the simplicity, equity, stability, predictability and performance of the Vermont’s major State revenue sources.</p> <p>(c) Based upon the data resulting from the study in subsection (b) of this section, the Joint Fiscal Office shall, as part of the study or separately, prepare a review of the future Vermont economic and demographic trends and implications for Vermont’s tax structure as regards revenue, equity, and competitiveness.</p> <p>(d) The Vermont Department of Taxes shall cooperate with and provide assistance as needed to the Joint Fiscal Office.</p> <p>(e) The Joint Fiscal Office shall submit the study, including recommendations for further research or analysis, to the Joint Fiscal Committee on or before January 15, 2017.</p>	
<b>Financial Literacy Commission – Adding Member</b>	R.1	R.1	As Passed House and Senate	As Passed House and Senate
<b>Workforce Housing – Purpose</b>	-	H.865	-	<p><b>[H.865]</b></p> <p>Sec. 1. PURPOSE  <u>The purpose of Sec. T.2 of this act is to promote the creation of workforce housing:</u>  <u>(1) by creating two or more workforce housing pilot projects in targeted areas that benefit from funding for infrastructure improvements;</u>  <u>(2) by funding grants to municipalities so they can pursue designated downtown development districts, designated new town centers, designated growth centers, and designated neighborhood development areas, and by capitalizing on the existing regulatory benefits for these designated areas to promote the creation of new workforce housing; and</u>  <u>(3) by extending the First Time Homebuyer’s Down Payment Assistance Program through the Vermont Housing Finance Agency to provide loans to more Vermont employees for down payment assistance and closing costs.</u></p>
<b>Workforce Housing Pilot Projects</b>	T.2	H.865		<p>Sec. 2. WORKFORCE HOUSING PILOT PROJECTS;          INFRASTRUCTURE IMPROVEMENTS; APPROPRIATION  <u>(a) Definition. As used in this act, “workforce housing pilot project” means a discrete project located on a single tract or multiple contiguous tracts of land that consists exclusively of owner-occupied housing or rental housing, or both, that meets each of the</u></p>

				<p>following:</p> <p><u>(1) The project includes 12 or more independent dwelling units, which may be detached or connected.</u></p> <p><u>(2)(A) A minimum of 25 percent of the total number of units in the project will be owned by or rented to occupants whose gross annual household income does not exceed 80 percent of:</u></p> <p><u>(i) the county median income, as defined by the U.S. Department of Housing and Urban Development; or</u></p> <p><u>(ii) the standard metropolitan statistical area median income if the municipality is located in such an area, as defined by the U.S. Department of Housing and Urban Development; and</u></p> <p><u>(B) the total annual cost of the housing, including principal, interest, taxes, insurance, and condominium association fees for owner-occupied housing, and rent, utilities, and condominium association fees for rental housing, is not more than 30 percent of the gross annual household income.</u></p> <p><u>(3)(A) A minimum of 50 percent of the total number of units in the project will be owned by or rented to occupants whose gross annual household income exceeds 80 percent, but does not exceed 120 percent, of:</u></p> <p><u>(i) the county median income, as defined by the U.S. Department of Housing and Urban Development; or</u></p> <p><u>(ii) the standard metropolitan statistical area median income if the municipality is located in such an area, as defined by the U.S. Department of Housing and Urban Development; and</u></p> <p><u>(B) the total annual cost of the housing, including principal, interest, taxes, insurance, and condominium association fees, is not more than 30 percent of the gross annual household income.</u></p> <p><u>(4) The project will:</u></p> <p><u>(A) be located in a designated downtown development district, designated new town center, designated growth center, or designated neighborhood development area under 24 V.S.A. chapter 76A; or</u></p> <p><u>(B)(i) have a minimum residential density greater than or equal to four single-family detached dwelling units per acre, exclusive of accessory dwelling units as defined in 24 V.S.A. § 4303, or no fewer than the average existing density of the surrounding neighborhood, whichever is greater; and</u></p> <p><u>(ii) the area in which the project is located represents a logical extension of an existing compact settlement pattern and is consistent with smart growth principles as defined in 24 V.S.A. § 2791.</u></p> <p><u>(b) Pilot projects.</u></p> <p><u>(1) Of the amounts appropriated to the Agency of Human Services to replace legacy technologies pursuant to 2010 Acts and Resolves No. 156, Sec. D.106(c)(1), as amended by 2011 Acts and Resolves No. 63, Sec. C.100, the amount of \$1,000,000.00 is hereby appropriated to the Vermont Housing and Conservation Board for the purpose of awarding grants to fund infrastructure improvements benefitting two or more workforce housing pilot projects pursuant to this section.</u></p>
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		<p><b>Sec. T.2. AFFORDABLE HOUSING; STUDY</b></p> <p>On or before December 15, 2016, the Agency of Commerce and Community Development shall report to the House Committees on Commerce and Economic Development and on General, Housing and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs on the following:</p> <p>(1) A review of existing statutes and programs, such as property tax reallocation, that may serve as tools to update existing housing stock.</p> <p>(2) Data from the Agency of Natural Resources, the Agency of Agriculture, Food and Markets, and the Natural Resources Board with respect to priority housing projects.</p> <p>(A) For each such project, these agencies shall provide in the report:</p> <p>(i) Whether the project received an exemption under 10 V.S.A. chapter 151 (Act 250).</p> <p>(ii) The amount of the fee savings under Act 250.</p> <p>(iii) The amount of the fee savings under permit programs administered by the Agency of Natural Resources.</p> <p>(iv) The cost under 10 V.S.A. § 6093 to mitigate primary agricultural soils and a comparison to what that cost of such mitigation would have been if the project had not qualified as a priority housing project.</p> <p>(B) Based on this data, the report shall summarize the benefits provided to priority housing projects.</p> <p>(C) As used in this subdivision (2), “primary agricultural soils” and “priority housing project” have the same meaning as in 10 V.S.A. § 6001.</p>	<p>(2) The Board, in consultation with the Department of Housing and Community Development, shall create an application and approval process to select two or more workforce housing pilot projects to provide the funding for all or a portion of infrastructure improvements that benefit the project or projects.</p> <p>(c) Eligibility.</p> <p>(1) Not more than one project may be located in a municipality with a population of more than 10,000 full-time residents.</p> <p>(2) Eligible infrastructure improvements shall include roads, sidewalks, bridges, culverts, water, wastewater, stormwater, and other utilities.</p> <p>(3) To remain eligible for grant funds, the person developing a project shall complete the project within two years from the effective date of a grant agreement with the Board.</p> <p>(4) The Board shall give preference to proposals in which some or all of the units required by subdivision (a)(2) of this section are subject to covenants or other restrictions that make them perpetually affordable.</p> <p>(d) Reports.</p> <p>(1) On or before December 15, 2016, the Vermont Housing and Conservation Board shall submit an initial report to the House Committees on Commerce and Economic Development and on General, Housing and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs, on action it has taken pursuant to this act, the status of any workforce housing pilot projects, and any recommendations for additional administrative or legislative action.</p> <p>(2) On or before December 15, 2016, the Agency of Commerce and Community Development shall report to the House Committees on Commerce and Economic Development and on General, Housing and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs on the following:</p> <p>(A) A review of existing statute and programs such as property tax reallocation as a tool to potentially update existing housing stock.</p> <p>(B) Data from the Agency of Natural Resources, the Agency of Agriculture, Food and Markets, and the Natural Resources Board with respect to priority housing projects.</p> <p>(i) For each such project, these agencies shall provide in the report:</p> <p>(I) Whether the project received an exemption under 10 V.S.A. chapter 151 (Act 250).</p> <p>(II) The amount of the fee savings under Act 250.</p> <p>(III) The amount of the fee savings under permit programs administered by the Agency of Natural Resources.</p> <p>(IV) The cost under 10 V.S.A. § 6093 to mitigate primary agricultural soils and a comparison to what that cost of such mitigation would have been if the project had not qualified as a priority housing project.</p> <p>(ii) Based on this data, the report shall summarize the benefits provided to priority housing projects.</p> <p>(iii) In this subdivision (B), “primary agricultural soils” and “priority housing</p>
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			<p>(3) The results of a process led by the Executive Director of the Vermont Economic Progress Council to engage stakeholders, including representatives of the private lending industry; the private housing development industry; a municipality that has an Tax Increment Financing District; a municipality that has a designated downtown, growth center, or neighborhood development area; a municipality that has a priority housing project; the Department of Housing and Community Development; the Department of Economic Development; the Department of Taxes; and the Vermont Housing and Conservation Board, to investigate alternative municipal infrastructure financing to enable smaller communities to build the needed infrastructure to support mixed-income housing projects in communities around the State.</p>	<p>project” have the same meaning as in 10 V.S.A. § 6001.</p> <p>(C) The results of a process led by the Executive Director of the Vermont Economic Progress Council to engage stakeholders, including representatives of the private lending industry; the private housing development industry; a municipality that has an Tax Increment Financing District; a municipality that has an designated downtown, growth center, or neighborhood development area; a municipality that has a priority housing project; the Department of Housing and Community Development; the Department of Economic Development; the Department of Taxes; and the Vermont Housing and Conservation Board, to investigate alternative municipal infrastructure financing to enable smaller communities to build the needed infrastructure to support mixed-income housing projects in communities around the State.</p> <p>(3) On or before December 15, 2018, the Vermont Housing and Conservation Board shall submit a final report to the House Committees on Commerce and Economic Development and on General, Housing and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs on action it has taken pursuant to this act, the status of any workforce housing pilot projects, and any recommendations for additional administrative or legislative action.</p>
Vermont Housing Conservation Board	T.3	-	<p>Sec. T.3. 10 V.S.A. § 303 is amended to read:  § 303. DEFINITIONS  As used in this chapter:  (1) “Board” means the Vermont Housing and Conservation Board established by this chapter.  (2) “Fund” means the Vermont Housing and Conservation Trust Fund established by this chapter.  (3) “Eligible activity” means any activity which will carry out either or both of the dual purposes of creating affordable housing and conserving and protecting important Vermont lands, including activities which will encourage or assist:  (A) the preservation, rehabilitation, or development of residential dwelling units which that are affordable to:  (i) lower income Vermonters; or  (ii) for owner-occupied housing, Vermonters whose income is less than or equal to 120 percent of the median income based on statistics from State or federal sources;  ***</p>	-
Down Payment Assistance Program - Extension	T.4	H.865	As Passed House and Senate	As Passed House in H.865 and Senate in H.868
Reserved	U-Y	-	-	-
Effective Dates	Z.1	S.1	<p>Sec. Z.1. EFFECTIVE DATES  (a) This section and the following sections shall take effect on passage:  (1) Secs. A.2–A.7 (Vermont Economic Development Authority).  (2) Sec. B.1 (cooperatives; electronic voting).  (3) Sec. E.4 (technical correction to business registration statute).</p>	<p>Sec. S.1. EFFECTIVE DATES  (a) This section and the following sections shall take effect on passage:  (1) Secs. A.1–A.7 (Vermont Economic Development Authority).  (2) Sec. B.1 (cooperatives; electronic voting).  (3) Sec. E.4 (technical correction to business registration statute).</p>

		<p>(4) Sec. G.1 (Medicaid for working people with disabilities).  <u>(5) Sec. Q.2 (tax study).</u></p> <p>(b) The following sections shall take effect on July 1, 2016:          (1) Sec. D.1 (Vermont Training Program).          (2) Secs. F.1–F.9 (Vermont State Treasurer).          (3) Secs. H.10 (extension of sunset) and H.13–H.15 (program reviews).          (4) Sec. I.1 (blockchain technology).          (5) Sec. J.1 (Internet-based lodging accommodations study).          (6) Secs. K.1–K.3 (State Workforce Development Board).          (7) Secs. L.1–<u>L.2 (Vermont Creative Network).</u>          (8) Secs. O.1–O.2 (Vermont Sustainable Jobs Fund).  <u>(9) Secs. T.2–T.4 (affordable housing study; VHCB; down payment assistance).</u></p> <p>(c) The following sections shall take effect on July 1, 2017:  <u>(1) Secs. C.1–C.2 (regional planning and development).</u>          (2) Secs. E.1–E.2 (conversion, merger, share exchange, and domestication of a corporation).</p> <p>(d)(1) Notwithstanding 1 V.S.A. § 214, Sec. E.3 (technical corrections to LLC Act) shall take effect retroactively as of July 1, 2015, and apply only to:          (A) a limited liability company formed on or after July 1, 2015; and          (B) except as otherwise provided in subdivision (4) of this subsection, a limited liability company formed before July 1, 2015 that elects, in the manner provided in its operating agreement or by law for amending the operating agreement, to be subject to this act.          (2) Sec. E.3 does not affect an action commenced, a proceeding brought, or a right accrued before July 1, 2015.          (3) Except as otherwise provided in subdivision (4) of this subsection, Sec. E.3 shall apply to all limited liability companies on and after July 1, 2016.          (4) For the purposes of applying Sec. E.3 to a limited liability company formed before July 1, 2015, for the purposes of applying 11 V.S.A. § 4023 and subject to 11 V.S.A. § 4003, language in the company’s articles of organization designating the company’s management structure operates as if that language were in the operating agreement.          (e) Sec. R.1 (Financial Literacy Commission) shall take effect on July 2, 2016.</p> <p><u>(f) Secs. H.1–H.9 (Vermont Employment Incentive Growth Program) and Secs. H.11–H.12 (prospective repeal of current VEGI statute; prospective repeal of authority to issue award incentives) shall take effect on January 1, 2018.</u></p>	<p>(4) Sec. G.1 (Medicaid for working people with disabilities).  <u>(5) Sec. Q.1 (cross border study).</u></p> <p>(b) The following sections shall take effect on July 1, 2016:  <u>(1) Secs. C.1–C.2 (regional planning and development).</u>          (2) Sec. D.1 (Vermont Training Program).          (3) Secs. F.1–F.9 (Vermont State Treasurer).          (4) Secs. H.11–H.12 (Technical Working Group review; VEPC review).          (5) Sec. I.1 (blockchain technology).          (6) Sec. J.1 (Internet-based lodging accommodations study).          (7) Secs. K.1–K.3 (State Workforce Development Board).          (8) Secs. L.1–L.3 (Vermont Creative Network).  <u>(9) Secs. M.1–M.2 (employee ownership).</u>  <u>(10) Secs. N.1–N.3 (Veterans Entrepreneurship Program).</u>          (11) Secs. O.1–O.2 (Vermont Sustainable Jobs Fund).  <u>(12) Secs. P.1–P.2 (southern Vermont economic development).</u></p> <p>(c) The following sections shall take effect on July 1, 2017:          (1) Secs. E.1–E.2 (conversion, merger, share exchange, and domestication of a corporation).  <u>(2) Secs. H.1–H.10 (Vermont Employment Incentive Growth program).</u></p> <p>(d)(1) Notwithstanding 1 V.S.A. § 214, Sec. E.3 (technical corrections to LLC Act) shall take effect retroactively as of July 1, 2015, and apply only to:          (A) a limited liability company formed on or after July 1, 2015; and          (B) except as otherwise provided in subdivision (4) of this subsection, a limited liability company formed before July 1, 2015 that elects, in the manner provided in its operating agreement or by law for amending the operating agreement, to be subject to this act.          (2) Sec. E.3 does not affect an action commenced, a proceeding brought, or a right accrued before July 1, 2015.          (3) Except as otherwise provided in subdivision (4) of this subsection, Sec. E.3 shall apply to all limited liability companies on and after July 1, 2016.          (4) For the purposes of applying Sec. E.3 to a limited liability company formed before July 1, 2015, for the purposes of applying 11 V.S.A. § 4023 and subject to 11 V.S.A. § 4003, language in the company’s articles of organization designating the company’s management structure operates as if that language were in the operating agreement.          (e) Sec. I.1 (Financial Literacy Commission) shall take effect on July 2, 2016.</p>
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