

## **Section-by-Section Summary of H.868**

**An act relating to miscellaneous economic development provisions**

**Secs. A.1–A.7: Vermont Economic Development Authority**

**Sec. B.1: Cooperatives; Electronic Voting**

**Secs. C.1–C.2: Regional Planning and Regional Economic Development**

**Sec. D.1: Vermont Training Program**

**Secs. E.1–E.4: Corporations, LLCs, and Business Organizations**

**Secs. F.1–F.9: Vermont State Treasurer**

**Sec. G.1: Medicaid for Working People with Disabilities**

**Secs. H.1–H.11: Vermont Employment Growth Incentive**

**Sec. I.1: Blockchain Technology**

**Sec. J.1: Study-Internet-Based Lodging Accommodations**

**Secs. K.1–K.3: State Workforce Development Board**

**Secs. L.1–L.3: Vermont Creative Network**

**Secs. M.1–M.2: Employee Ownership**

**Secs. N.1–N.3: Veterans Entrepreneurship**

**Secs. O.1–O.2: Vermont Sustainable Jobs Fund**

**Secs. P.1–P.2: Southern Vermont Economic Development Marketing and Planning**

### **Secs. A.1–A.7: Vermont Economic Development Authority**

- **Sec. A.1** authorizes the Governor to appoint *up to* 10 members and adds a legislative member to the VEDA board
- **Sec. A.2** eliminates certain statutory process requirements for approving VEDA loans
- **Sec. A.3** effectively raises the amount of money VEDA may lend by raising the amount of outstanding obligations covered by its debt service reserve funds
- **Sec. A.4**, in conjunction with **Sec. A.7 (b)(1)**, repeals VEDA’s defunct mortgage insurance program and transfers any remaining indemnification funds held by the Treasurer under that program to VEDA
- **Sec. A.5** eliminates the statutory cap on the amount of inter-fund transfers VEDA can make between the Vermont Jobs Fund and the Vermont Agricultural Credit Program
- **Sec. A.6** integrates forest products and businesses into the Agricultural Credit Program; eliminates the statutory cap on the amount of loans VEDA can make to a single entity; and eliminates statutory mandates concerning the maturity dates and collateral for loans on real or personal property
- **Sec. A.7** eliminates \$1m of full faith and credit made available to VEDA for its TECH loan program, and repeals the defunct Mortgage Insurance Program and Vermont Financial Access Program.

### **Sec. B.1: Cooperatives; Electronic Voting**

- Enables a cooperative, in its articles of incorporation, to permit voting via telephone, electronic communication, or other medium (but still not by proxy).

### **Secs. C.1–C.2: Regional Planning and Regional Economic Development**

- Changes the payment mechanism for regional planning and regional economic development services from a performance contract to a performance grant

### **Sec. D.1: Vermont Training Program**

- Authorizes the Agency of Commerce and Community Development to allocate up to 10% of the VTP funding to work-based learning programs for students

### **Secs. E.1–E.4: Corporations, LLCs, and Business Organizations**

- **Sec. E.1** repeals current corporations law governing mergers and share exchanges and replaces with new provisions authorizing conversions, mergers, share exchanges, and domestications
- **Sec. E.2** extends dissenters rights to corporation conversions and domestications
- **Sec. E.3** makes technical conforming changes to the LLC chapter
- **Sec. E.4** makes technical changes to the DBA provisions to ensure all entity types doing business under an assumed name register with the Secretary of State

**Secs. F.1–F.9: Vermont State Treasurer**

- **Sec. F.1** reauthorizes the Public Retirement Plan Study Committee and adds one additional member to represent youth and young working adults
- **Sec. F.2** authorizes the Treasurer to work with other States in implementing the ABLE Savings Program
- **Sec. F.3** authorizes the ABLE Task Force to meet until the Program is implemented
- **Sec. F.4** provides that, notwithstanding its statutory mandate, the Private Activity Bond Advisory Committee will not meet unless called by the Treasurer
- **Secs. F.5–F.6** codify in statute the Treasurer’s authority to invest in the Vermont Community Loan Fund and increase the amount of investment to \$1m
- **Secs. F.7–F.9** codify the Treasurer’s Local Investment program and advisory committee and remove the sunset for the program

**Sec. G.1: Medicaid for Working People with Disabilities**

- Makes a conforming technical amendment to Vermont statute setting the statutory resource limit for the program in order to harmonize with last year’s economic development bill, which authorized DAIL to seek approval from CMS for raising the asset limits for program eligibility

**Secs. H.1–H.11: Vermont Employment Growth Incentive**

- **Secs. H.1–H.9** re-state in plain language, in new sections located in Title 10, the language governing the Vermont Economic Progress Council and the Vermont Employment Growth Incentive Program, and make certain conforming statutory changes to references in other statutory sections
- **Sec. H.10** sets the repeal of the restated VEPC and VEGI provisions at July 1, 2027
- **Sec. H.11** creates a VEGI Policy Working Group, its duties, and a report

**Sec. I.1: Blockchain Technology**

- Creates certain rebuttable statutory presumptions of authenticity for records that were created using blockchain technology.

**Sec. J.1: Study-Internet-Based Lodging Accommodations**

- Directs the Departments of Tax, Health, Tourism and Marketing, Public Safety, and Financial Regulation to review provisions of law governing Internet-based lodging businesses and report to committees of jurisdiction

**Secs. K.1–K.3: State Workforce Development Board**

- Amends Vermont statute to conform with changes to the federal Workforce Innovation and Opportunity Act, and authorizes members of the State Workforce Development Board to appoint a designee

**Secs. L.1–L.3: Vermont Creative Network**

- **Sec. L.1** directs the Vermont Arts Council, with Statewide partners, to create the Vermont Creative Network
- **Sec. L. 2** appropriates \$50,000 to the Council
- **Sec. L.3** makes the Council’s duty to create the Network contingent on receiving the appropriation

**Secs. M.1–M.2: Employee Ownership**

- **Sec. M.1** creates a tax credit for 50% of the net capital gain from the sale or exchange of a qualifying business to an employee stock ownership plan or worker cooperative
- **Sec. M.2** appropriates \$50,000 to the Agency of Commerce and Community Development to make grants for feasibility studies for the creation of an employee stock ownership plan or worker cooperative

**Secs. N.1–N.3: Veterans Entrepreneurship**

- Creates a Veterans Entrepreneurship Program, under which the administrator of a State-funded economic development program shall give preference to a veteran-owned business from among its qualified and substantially equivalent applicants; also requires program administrators subject to the preference to report on how they have implemented the provision

**Secs. O.1–O.2: Vermont Sustainable Jobs Fund**

- Makes technical changes to the VSJF governing statute reflecting that administrative support of the program rests with the Agency of Commerce and Community Development, and that the Vermont Economic Development Authority does not hire or assign the Program Director

**Secs. P.1–P.2: Southern Vermont Economic Development Marketing and Planning**

- **Sec. P.1** appropriates \$75,000 of the Vermont Yankee economic development funding to the Brattleboro Development Credit Corporation for economic development marketing
- **Sec. P.2** appropriates \$50,000 to the Bennington County Regional Commission for economic development planning