

VERMONT EMPLOYMENT GROWTH INCENTIVE (VEGI)

The State of Vermont offers incentives to encourage business recruitment, growth, and expansion through the Vermont Employment Growth Incentive program (VEGI). The VEGI program can provide a performance-based cash incentive for prospective job and payroll creation and capital investment that is beyond organic growth and which occurs because of the incentive. Companies must be authorized to earn the incentive through application to the Vermont Economic Progress Council (VEPC).

Once authorized, to actually earn the incentive each year the company must maintain or increase their base payroll, meet their payroll performance measure, and meet either their new qualifying job or their capital investment performance measure. The earned incentive is then paid out in five cash installments if the performance measures are maintained.

ESTIMATE OF PROJECTED DIRECT AND INDIRECT ECONOMIC ACTIVITY 2007-2020 (For all Active Applications Approved through December 31, 2015)

Total Full-time Job Creation (Direct and Indirect):	7,842
New Qualifying FT Jobs	(3,249)
New Non-Qualifying FT Jobs	(687)
New Indirect Jobs	(3,906)
Total Retained Full Time Jobs	5,535
Total Qualifying Full Time Payroll:	\$147.3 million
Weighted Average Wage (Full time jobs)	\$45,101
Average Total Compensation (Full Time jobs)	\$55,242
Average % of Health Care Premium Paid by Employer	73%
Total Qualifying Capital Investments	\$687.4 million
Approximate Value of Vermont Biz-to-Biz Interaction	\$167 million/Year
Total Net Revenue Return to Vermont:	\$26.2 million
Total Net New Revenue/Qualifying Job	\$8,074 per job*

PROJECTED/ACTUAL ECONOMIC ACTIVITY 2007-2013

	<u>PROJECTED</u>	<u>ACTUAL</u>
New Qualifying Jobs	2,166	3,897
New Qualifying Payroll	\$100.8 million	\$242.6 million
New Capital Investments	\$443.8 million	\$623.4 million
Net Incentive Installments Paid:	\$11.9 m	\$10.4 m
Net Revenue Return to Vermont	\$14.7 million	\$36.6 million
Net New Revenue/New Qualifying Job	\$4,515	\$9,390*

***Note: These figures *do not* represent a cost per job. They show the net new tax revenue generated to Vermont per new qualifying job created.**