

Side-by Side Comparison of H.868

5/4/16 @ 3:30 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 | House Conference Proposal 5/4/16 @ 3:30 pm |
|---|----------------------|-------------|----------------------------|---|
| VEDA – Legislative Board Member | - | A.1 | Senate | Senate |
| 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 |
| VEDA – Inter-fund transfer from Vermont Jobs Fund to Ag Credit Program | A.5 | A.5 | Senate | Senate |
| VEDA – Adding Forest Products; Single Borrow Limit; Loan Eligibility, Collateral, Terms | A.6 | A.6 | Senate | Senate |
| VEDA – Repeal of Full Faith and Credit; Repeal Mortgage Insurance Program and Financial Access Program | A.7 | A.7 | As Passed House and Senate | As Passed House and Senate |
| Cooperatives; Electronic Voting | B.1 | B.1 | As Passed House and Senate | As Passed House and Senate |
| Regional Planning and Economic Development Performance Contracts → Performance Grants | C.1– C.2 | C.1– C.2 | As Passed House and Senate | As Passed House and Senate |
| Vermont Training Program; Work-Based Learning Activities | D.1 | D.1 | Senate | Senate |
| Corporations – Mergers, Conversions, Domestications, Share Exchanges | E.1–E.2 | E.1–E.2 | As Passed House and Senate | As Passed House and Senate |
| Limited Liability Company – Technical Corrections | E.3 | E.3 | As Passed House and Senate | As Passed House and Senate |
| Registration of Business | E.4 | E.4 | As Passed House and Senate | As Passed House and Senate |

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| Organizations – Technical Corrections | | | | |
| Treasurer – Public Retirement Plan Study Committee | F.1 | F.1 | As Passed House and Senate | As Passed House and Senate |
| Treasurer – ABLE Savings Program | F.2–F.3 | F.2–F.3 | As Passed House and Senate | As Passed House and Senate |
| Treasurer – Private Activity Bond Advisory Committee | F.4 | F.4 | As Passed House and Senate | As Passed House and Senate |
| Treasurer – Investment in Vermont Community Loan Fund | F.5–F.6 | F.5–F.6 | As Passed House and Senate | As Passed House and Senate |
| Treasurer – Local Investment Program and Advisory Committee | F.7–F.9 | F.7–F.9 | As Passed House and Senate | As Passed House and Senate |
| Medicaid for Working People with Disabilities | G.1 | G.1 | As Passed House and Senate | As Passed House and Senate |
| Vermont Employment Growth Incentive Program | H.1 | H.1 | <p>Sec. H.1. 32 V.S.A. chapter 105 is added to read:</p> <p>CHAPTER 105. VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM</p> <p>Subchapter 1. Vermont Economic Progress Council</p> <p style="text-align: center;">* * *</p> <p>Subchapter 2. Vermont Employment Growth Incentive Program</p> <p>§ 3330. PURPOSE; FORM OF INCENTIVES; ENHANCED INCENTIVES</p> <p>ELIGIBLE APPLICANT</p> <p>(a) Purpose. 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 style="text-align: center;">* * *</p> <p>§ 3334. ENHANCED INCENTIVE FOR A BUSINESS IN A QUALIFYING LABOR MARKET AREA</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</p> <p>(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</p> <p>(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>Sec. H.1. 32 V.S.A. chapter 105 is added to read:</p> <p>CHAPTER 105. VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM</p> <p>Subchapter 1. Vermont Economic Progress Council</p> <p style="text-align: center;">* * *</p> <p>Subchapter 2. Vermont Employment Growth Incentive Program</p> <p>§ 3330. PURPOSE; FORM OF INCENTIVES; ENHANCED INCENTIVES</p> <p>ELIGIBLE APPLICANT</p> <p>(a) Purpose. The purpose of the Vermont Employment Growth Incentive Program is to generate net new revenue to the State by encouraging a business to add new payroll, create new jobs, and make new capital investments and sharing a portion of the revenue with the business.</p> <p style="text-align: center;">* * *</p> <p>§ 34. ENHANCED INCENTIVE FOR A BUSINESS IN A QUALIFYING LABOR MARKET AREA</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</p> <p>(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</p> <p>(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> |

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| | | | <p>(d) <u>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.</u></p> <p>(e) <u>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.</u></p> <p style="text-align: center;">* * *</p> <p><u>§ 3342. ANNUAL PROGRAM CAP</u></p> <p>(a) <u>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 style="margin-left: 40px;">(1) <u>\$15,000,000.00 for one or more initial approvals; and</u></p> <p style="margin-left: 40px;">(2) <u>\$10,000,000.00 for one or more final approvals.</u></p> <p>(b) <u>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.</u></p> <p>(c) <u>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.</u></p> <p>(d) <u>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.</u></p> | <p>(d) <u>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.</u></p> <p>(e) <u>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.</u></p> <p style="text-align: center;">* * *</p> <p><u>§ 3342. ANNUAL PROGRAM CAP</u></p> <p>(a) <u>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 style="margin-left: 40px;">(1) <u>\$15,000,000.00 for one or more initial approvals; and</u></p> <p style="margin-left: 40px;">(2) <u>\$10,000,000.00 for one or more final approvals.</u></p> <p>(b) <u>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.</u></p> <p>(c) <u>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.</u></p> <p>(d) <u>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.</u></p> |
| VEGI – Conforming Statutory Changes | H.2– H.6 | H.2– H.6 | Senate | Senate |
| VEGI – Statutory Purpose | H.7 | H.7 | <p>Sec. H.7. 32 V.S.A. § 5813 is amended to read:</p> <p>§ 5813. STATUTORY PURPOSES</p> <p style="text-align: center;">* * *</p> <p>(u) <u>The statutory purpose of the Vermont employment growth incentive Vermont Employment Growth Incentive Program in section 5930b chapter 105, subchapter 2 of this title is 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:</p> <p>§ 5813. STATUTORY PURPOSES</p> <p style="text-align: center;">* * *</p> <p>(u) <u>The statutory purpose of the Vermont employment growth incentive Vermont Employment Growth Incentive Program in section 5930b chapter 2, subchapter 2 of this title is to provide a cash incentive to encourage quality job growth in Vermont generate net new revenue to the State by encouraging a business to add new payroll, create new jobs, and make new capital investments and sharing a portion of the revenue with the business.</u></p> <p style="text-align: center;">* * *</p> |
| VEGI – Conforming Statutory | H.8– | H.8– | As Passed House and Senate | As Passed House and Senate |

| Changes | H.9 | H.9 | | |
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| VEGI – Extension of Current Statutory Authority to Award Incentives | H.10 | H.10 | <p>Sec. H.10. EXTENSION OF CURRENT VEGI STATUTE; TRANSITION 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 July 1, 2017 <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 July 1, 2017 <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>Sec. H.10. EXTENSION OF CURRENT VEGI STATUTE; TRANSITION 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 July 1, 2017 <u>January 1, 2018</u> <u>2017</u>, no new Vermont employment growth incentive (VEGI) awards under 32 V.S.A. § 5930b may be made. Any VEGI awards granted prior to July 1, 2017 <u>January 1, 2018</u> <u>2017</u> may remain in effect until used <u>and shall be governed by the provisions of 32 V.S.A chapter 105.</u></p> |
| VEGI – Prospective Repeal of Current Statute | H.11 | H.11 | <p>Sec. H.11. PROSPECTIVE REPEAL OF CURRENT VEGI STATUTE <u>32 V.S.A. §§ 5930a and 5930b are repealed.</u></p> <p>Effective: January 1, 2018</p> | <p>Sec. H.11. PROSPECTIVE REPEAL OF CURRENT VEGI STATUTE <u>32 V.S.A. §§ 5930a and 5930b are repealed.</u></p> <p>Effective: January 1, 2018 <u>2017</u></p> |
| VEGI – Prospective Repeal of Authority to Award Incentives (Sunset) | H.12 | H.12 | <p>Sec. H.12. VEGI; REPEAL OF AUTHORITY TO AWARD INCENTIVES <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>Sec. H.12. VEGI; REPEAL OF AUTHORITY TO AWARD INCENTIVES <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 <u>January 1, 2020.</u></u></p> |
| VEGI – Program Review – Policy Issues | H.13 | H.13 | <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></p> <ul style="list-style-type: none"> (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>(c) <u>The Group shall review the following questions relating to the Vermont Employment Growth Incentive Program:</u></p> <ul style="list-style-type: none"> (1) <u>whether the enhanced incentives available under the program are appropriate and necessary, including:</u> <ul style="list-style-type: none"> (A) <u>an analysis of the growth in the environmental technology sector in</u> | <p>Sec. H.13. 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> <ul style="list-style-type: none"> (1) <u>whether the enhanced incentives available under the program are appropriate and necessary, including:</u> <ul style="list-style-type: none"> (A) <u>an analysis of the growth in the environmental technology sector in</u> |

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| | | <p>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) whether the State should forego additional net fiscal benefit under the enhancements and whether the policy objectives of the enhancements are met;</u> <u>(2) whether and how to include a mechanism in the Program for equity investments in incentive recipients;</u> <u>(3) 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> <u>(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;</u> <u>(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 should be more targeted to these businesses;</u> <u>(6) changes to the Program to ensure incentives will benefit the creation and growth of more small businesses; and</u> <u>(7) whether additional applicant and program data reporting and transparency could be accomplished without damage to applicant businesses.</u></p> <p><u>(d) On or before January 15, 2018, the 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> | <p>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) whether the State should forego additional net fiscal benefit under the enhancements and whether the policy objectives of the enhancements are met;</u> <u>(2) whether and how to include a mechanism in the Program for equity investments in incentive recipients;</u> <u>(3) 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> <u>(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;</u> <u>(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 should be more targeted to these businesses;</u> <u>(6) changes to the Program to ensure incentives will benefit the creation and growth of more small businesses; and</u> <u>(7) whether additional applicant and program data reporting and transparency could be accomplished without damage to applicant businesses.</u> <u>(8) 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> <p><u>(b) On or before January 15, 2017, the Council 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> |
| <p>VEGI – Program Review – Technical Issues</p> | <p>H.14</p> | <p>Sec. H.14. VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM; TECHNICAL WORKING GROUP REVIEW <u>(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:</u></p> <p><u>(1) the legislative economist or another designee from the Joint Fiscal Office;</u> <u>(2) a policy analyst from the Agency of Commerce and Community Development;</u> <u>(3) an economic and labor market information chief from the Department of Labor;</u> <u>and</u></p> | <p>Sec. H.14. VERMONT EMPLOYMENT GROWTH INCENTIVE TECHNICAL WORKING GROUP <u>(a) On or before August 15, 2016, the Joint Fiscal Committee shall convene a Vermont Employment Growth Incentive Technical Working Group composed of the following:</u></p> <p><u>(1) the State legislative economist;</u> <u>(2) the State executive economist;</u> <u>(3) a policy analyst from the Agency of Commerce and Community Development;</u> <u>(4) an economic and labor market information chief from the Department of Labor;</u></p> |

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| | | <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 applicants who assert that but for the incentive the scale or timing of the project would change;</p> <p>(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</p> <p>(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.</p> <p>(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.</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 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 applicants who assert that but for the incentive the scale or timing of the project would change;</p> <p>(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</p> <p>(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.</p> <p>(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.</p> |
| <p>VEGI – Review – Qualifying Job – Benefits</p> | <p>H.15</p> | <p>H.13</p> <p>Sec. H.15. VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM; QUALIFYING JOB; BENEFITS; REVIEW</p> <p>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.</p> | <p>See Sec. H.13(a)(8) above</p> |
| <p>Blockchain Technology Enabling</p> | <p>I.1</p> | <p>I.1</p> <p>As Passed House and Senate</p> | <p>As Passed House and Senate</p> |
| <p>Study – Regulation of Internet-Based Lodging Accommodations</p> | <p>J.1</p> | <p>J.1</p> <p>As Passed House and Senate</p> | <p>As Passed House and Senate</p> |

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| State Workforce Development Board | K.1– K.3 | K.1– K.3 | As Passed House and Senate | As Passed House and Senate |
| Vermont Creative Network – Creation | L.1 | L.1 | Senate | Senate |
| Vermont Creative Network – Appropriation | L.2 | L.2 | Senate | Senate |
| Vermont Creative Network – Implementation | - | L.3 | - | - |
| Employee Ownership – Appropriation – Feasibility Studies | - | M.2 | - | <p>Sec. M.2. EXPANDING EMPLOYEE OWNERSHIP; FEASIBILITY STUDIES FOR EMPLOYEE STOCK OWNERSHIP PLANS AND WORKER COOPERATIVE CONVERSIONS; APPROPRIATION</p> <p>(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.</p> <p>(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.</p> |
| Veterans Entrepreneurship | - | N.1– N.3 | - | <p>Sec. N.1. FINDINGS AND PURPOSE</p> <p>(a) The General Assembly finds:</p> <p>(1) Veterans employ 5.7 million people within the United States.</p> <p>(2) Veterans own or lead 30 percent of all businesses in the United States.</p> <p>(b) The purposes of this act are to:</p> <p>(1) incentivize U.S. and Vermont veterans to establish and maintain viable businesses within the State of Vermont;</p> <p>(2) create jobs and businesses with a higher rate of success within the State, fostering economic development;</p> <p>(3) continue to utilize the resources that military personnel provide to local communities and business ethics after their extensive leadership training and experiences;</p> <p>(4) provide additional revenue and attract out-of-state talent and ideas;</p> <p>(5) increase population size in the State; and</p> <p>(6) foster an environment that encourages small business growth within the State.</p> <p>Sec. N.2. 10 V.S.A. § 14 is added to read:</p> <p>§ 14. VETERANS ENTREPRENEURSHIP PROGRAM</p> <p>(a) 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.</p> <p>(b) 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.</p> |

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| | | | | <p>Sec. N.3. IMPLEMENTATION <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> |
| Vermont Sustainable Jobs Fund – Technical Corrections | O.1– O.2 | O.1– O.2 | As Passed House and Senate | As Passed House and Senate |
| Southern Vermont Planning and Economic Development – Sustainable Marketing Project | - | P.1 | - | <p>Sec. P.1. SOUTHERN VERMONT SUSTAINABLE MARKETING PROJECT; APPROPRIATION <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> |
| Southern Vermont Planning and Economic Development – Bennington County Planning | - | P.2 | - | <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> |
| Cross Border Tax Study | - | - | - | - See Q.2 - |
| Vermont Tax Study | Q.2 | - | Sec. Q.2. VERMONT TAX STUDY | Sec. Q.2. VERMONT TAX STUDY |

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| | | | <p><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></p> <p><u>(b) The study shall:</u></p> <p><u>(1) Analyze historical trends since 2005 in Vermont taxes as compared to other 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.</u></p> <p><u>(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.</u></p> <p><u>(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.</u></p> <p><u>(4) Review the simplicity, equity, stability, predictability and performance of the Vermont’s major State revenue sources.</u></p> <p><u>(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.</u></p> <p><u>(d) The Vermont Department of Taxes shall cooperate with and provide assistance as needed to the Joint Fiscal Office.</u></p> <p><u>(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.</u></p> | <p><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></p> <p><u>(b) The study shall:</u></p> <p><u>(1) Analyze historical trends since 2005 in Vermont taxes as compared to other 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.</u></p> <p><u>(2) Analyze State tax burdens levels 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.</u></p> <p><u>(3) Analyze cross-border tax policies and competitiveness with neighboring states, including:</u></p> <p><u>(A) impacts on the pattern of retailing, the location of retail activity, and retail market share;</u></p> <p><u>(B) 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></p> <p><u>(C) the impact by business size, to the extent data are available.</u></p> <p><u>(4) Review the simplicity, equity, stability, predictability and performance of the Vermont’s major State revenue sources.</u></p> <p><u>(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 and performance of the major State revenue sources, including as regards revenue, simplicity, equity, stability, and competitiveness.</u></p> <p><u>(d) The Vermont Department of Taxes shall cooperate with and provide assistance as needed to the Joint Fiscal Office.</u></p> <p><u>(e) The Joint Fiscal Office shall submit the study, including recommendations for further research or analysis, to the Joint Fiscal Committee General Assembly on or before January 15, 2017.</u></p> |
| <p>Financial Literacy Commission – Adding Member</p> | <p>R.1</p> | <p>R.1</p> | <p>As Passed House and Senate</p> | <p>As Passed House and Senate</p> |
| <p>Workforce Housing – Purpose</p> | <p>-</p> | <p>T.1</p> | <p>-</p> | <p>Sec. T.1. PURPOSE</p> <p>The purpose of Sec. T.2 of this act is to promote the creation of workforce housing:</p> <p><u>(1) by creating two or more workforce housing pilot projects in targeted areas that benefit from funding for infrastructure improvements;</u></p> <p><u>(2) by funding grants to municipalities so they can pursue designated downtown</u></p> |

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| | | | | <p>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</p> <p>(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.</p> |
| <p>Workforce Housing Pilot Projects</p> | <p>T.2</p> | <p>T.2</p> | | <p>Sec. T.2. WORKFORCE HOUSING PILOT PROJECTS; INFRASTRUCTURE IMPROVEMENTS; APPROPRIATION</p> <p>(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 following:</p> <p>(1) The project includes 12 or more independent dwelling units, which may be detached or connected.</p> <p>(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:</p> <p>(i) the county median income, as defined by the U.S. Department of Housing and Urban Development; or</p> <p>(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</p> <p>(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.</p> <p>(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:</p> <p>(i) the county median income, as defined by the U.S. Department of Housing and Urban Development; or</p> <p>(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</p> <p>(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.</p> <p>(4) The project will:</p> <p>(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</p> <p>(B)(i) have a minimum residential density greater than or equal to four single-</p> |

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| | | <p>Sec. T.2. AFFORDABLE HOUSING; STUDY 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>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</p> <p>(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.</p> <p>(b) Pilot projects.</p> <p>(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.</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</p> |
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| | | | <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>(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>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 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 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>(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> |
| <p>Vermont Housing Conservation Board</p> | <p>T.3</p> | <p>T.3</p> | <p>Senate</p> | <p>Senate</p> |
| <p>Down Payment Assistance Program - Extension</p> | <p>T.4</p> | <p>T.4</p> | <p>As Passed House and Senate</p> | <p>As Passed House in H.865 and Senate in H.868</p> |
| <p>Effective Dates</p> | <p>Z.1</p> | <p>S.1</p> | <p>- Will correct as needed -</p> | |