

1 TO THE HONORABLE SENATE:

2 The Committee on Economic Development, Housing and General Affairs to  
3 which was referred Senate Bill No. 94 entitled “An act relating to promoting  
4 remote work and flexible work arrangements” respectfully reports that it has  
5 considered the same and recommends that the bill be amended by striking out  
6 all after the enacting clause and inserting in lieu thereof the following:

7 Sec. 1. 32 V.S.A. chapter 151, subchapter 11P is added to read:

8 Subchapter 11P. New Remote Worker Tax Credit

9 § 5930pp. NEW REMOTE WORKER TAX CREDIT

10 (a) As used in this section:

11 (1) “New remote worker” means an individual who:

12 (A) is a full-time employee of a business with its domicile or primary  
13 place of business outside Vermont;

14 (B) becomes a full-time resident of this State on or after January 1,  
15 2019; and

16 (C) performs the majority of his or her employment duties remotely  
17 from a home office or a co-working space located in this State.

18 (2) “Qualifying remote worker expenses” means a new remote worker’s  
19 actual costs incurred for one or more of the following that are necessary to  
20 perform his or her employment duties:

21 (A) relocation to this State;

1           (B) computer software and hardware;

2           (C) broadband access or upgrade;

3           (D) membership in a co-working or similar space;

4           (E) child care; and

5           (F) student loan repayment.

6           (b)(1) A new remote worker shall be eligible for a nonrefundable credit  
7           against the income tax liability imposed under this chapter for qualifying  
8           remote worker expenses in the amount of not more than \$2,000.00 per year for  
9           up to five years, not to exceed \$10,000.00 per new remote worker.

10           (2)(A) The Agency of Commerce and Community Development shall  
11           develop a process to certify new remote workers for eligibility for a credit  
12           under this section.

13           (B) Upon certifying that a new remote worker meets the eligibility  
14           requirements of this section and his or her qualifying expenses for a tax year,  
15           the Agency shall issue to the new remote worker a credit certificate for the  
16           amount of his or her qualifying expenses, which the new remote worker shall  
17           file with his or her tax return.

18           (3) The Agency shall annually award credit certificates on a first-come,  
19           first-served basis, up to \$1,000,000.00 in total credits per year.

1        (c) A new remote worker may:

2            (1) first claim a credit under this section in the tax year following the  
3 year in which he or she becomes a resident of this State;

4            (2) claim an additional credit in each of the subsequent four tax years,  
5 provided he or she remains a resident of this State and a full-time remote  
6 worker; and

7            (3) carry forward the amount of any unused credit for five tax years.

8        (d) The Agency of Commerce and Community Development shall:

9            (1) promote awareness of the new remote worker tax credit authorized  
10 in this section; and

11           (2) adopt measurable goals, performance measures that demonstrate  
12 results, and an audit strategy to assess the utilization and performance of the  
13 credit authorized in this section.

14        Sec. 2. IMPROVING INFRASTRUCTURE AND SUPPORT FOR REMOTE  
15            WORK IN VERMONT; STUDY; REPORT

16        (a) The Secretary of Commerce and Community Development, in  
17 consultation with the Commissioners of Labor, of Public Service, and of  
18 Buildings and General Services, and other interested stakeholders, shall  
19 identify and examine the infrastructure improvements and other support  
20 needed to enhance the ability of businesses to establish a remote presence in  
21 Vermont and to allow Vermonters and businesses developing from maker

1 spaces, co-working spaces, remote work hubs, and innovation spaces to work  
2 and provide services remotely.

3 (b) Based on his or her findings, and in consultation with the  
4 Commissioners of Labor, of Public Service, and of Buildings and General  
5 Services, and other interested stakeholders, the Secretary shall develop a  
6 program to address the needs identified pursuant to subsection (a) of this  
7 section.

8 (c) Specifically, the program shall:

9 (1) address the infrastructure needs of remote workers and businesses  
10 developing from generator spaces;

11 (2) promote and facilitate the use of remote worksites and maker spaces,  
12 co-working spaces, remote work hubs, and innovation spaces;

13 (3) encourage out-of-state companies to use remote workers in Vermont;

14 (4) reduce the administrative and regulatory burden on businesses  
15 employing remote workers in Vermont;

16 (5) increase the ease of start-up companies finding remote work or  
17 maker spaces, co-working spaces, remote work hubs, and innovation spaces in  
18 the State; and

19 (6) support the interconnection of current and future maker spaces, co-  
20 working spaces, remote work hubs, and innovation spaces in this State.

1        (d) On or before January 15, 2019, the Secretary shall submit to the House  
2        Committee on Commerce and Economic Development and the Senate  
3        Committee on Economic Development, Housing and General Affairs a written  
4        report detailing:

5                (1) his or her findings, plan, and any recommendations for legislative  
6                action to implement the plan; and

7                (2) policy changes to improve the climate for remote workers, including  
8                zoning measures, insurance and liability issues, workforce training needs,  
9                broadband access, access to co-working spaces, and an assessment of  
10               environmental implications of working remotely.

11        Sec. 3. INTEGRATED PUBLIC-PRIVATE STATE WORKSITES

12               (a) The Secretary of Administration, in consultation with the Secretary of  
13               Commerce and Community Development and the Commissioner of Buildings  
14               and General Services, shall examine the potential for the State to establish  
15               remote worksites that are available for use by both State employees and remote  
16               workers in the private sector.

17               (b) The Secretary shall examine the feasibility of and potential funding  
18               models for the worksites, including the opportunity to provide at low or no cost  
19               co-work space within State buildings that is currently vacant or underutilized.

20               (c) On or before January 15, 2019, the Secretary shall submit a written  
21               report to the House Committee on Commerce and Economic Development and

1 the Senate Committee on Economic Development, Housing and General  
2 Affairs detailing his or her findings and any recommendations for legislative  
3 action.

4 Sec. 4. BROADBAND AVAILABILITY FOR REMOTE WORKERS

5 On or before January 15, 2019, the Director of Telecommunications and  
6 Connectivity, in consultation with the Agency of Commerce and Community  
7 Development, shall submit with the annual report required by 30 V.S.A.  
8 § 202e findings and recommendations concerning:

9 (1) the current availability of broadband service in municipal downtown  
10 centers that do, or could at reasonable cost, support one or more co-working  
11 spaces or similar venues for remote workers and small businesses; and

12 (2) strategies for expanding and enhancing broadband availability for  
13 such spaces.

14 Sec. 5. EFFECTIVE DATE

15 This act shall take effect on July 1, 2018.

16 and that after passage the title of the bill be amended to read: “An act relating  
17 to remote work”

18 (Committee vote: \_\_\_\_\_)

19 \_\_\_\_\_

20 Senator \_\_\_\_\_

21 FOR THE COMMITTEE