

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Ways and Means to which was referred House Bill  
3 No. 548 entitled “An act relating to limiting additional TIF districts”  
4 respectfully reports that it has considered the same and recommends that the  
5 bill be amended by striking out all after the enacting clause and inserting in  
6 lieu thereof the following:

7 Sec. 1. TAX INCREMENT FINANCING; METRICS; REPORT

8 (a) On or before December 15, 2018, the Vermont Economic Progress  
9 Council, in consultation with the Agency of Commerce and Community  
10 Development, the Department of Taxes, the State Auditor, the consulting  
11 Legislative Economist, and the Joint Fiscal Office, shall develop metrics to  
12 evaluate:

13 (1) the local economic impact of existing tax increment financing  
14 districts and the projected local economic benefits that would result from a  
15 newly created tax increment financing district;

16 (2) the regional economic impact of existing tax increment financing  
17 districts and the projected regional economic benefits that would result from a  
18 newly created tax increment financing district; and

19 (3) the statewide economic impact of existing tax increment financing  
20 districts and the projected statewide economic benefits that would result from a  
21 newly created tax increment financing district.

1        (b) On or before January 15, 2019, the Vermont Economic Progress  
2        Council shall prepare and present to the House Committees on Commerce and  
3        Economic Development and on Ways and Means and the Senate Committees  
4        on Economic Development, Housing and General Affairs and on Finance draft  
5        legislation incorporating the metrics described in subsection (a) of this section  
6        as part of the criteria used to evaluate a municipality’s application for a tax  
7        increment financing district.

8        Sec. 2. VERMONT ECONOMIC PROGRESS COUNCIL; ECONOMIC  
9                DEVELOPMENT; STUDY

10       (a) On or before January 15, 2019, the Vermont Economic Progress  
11       Council, in consultation with interested stakeholders, shall study the creation  
12       of a statewide economic development tool that achieves the same goals of the  
13       tax increment financing program of promoting economic development and  
14       expanding affordable housing, but that does not utilize resources from the  
15       Education Fund. The study shall include options for how to sustain such an  
16       economic development program in towns with both small and large  
17       populations.

18       (b) The Secretary of Commerce and Community Development shall submit  
19       a report to the House Committees on Commerce and Economic Development  
20       and on Ways and Means and the Senate Committees on Economic  
21       Development, Housing and General Affairs and on Finance with

1 recommendations on the feasibility of the program described in subsection (a)  
2 of this section, and if feasible, how the program would be implemented.

3 Sec. 3. 24 V.S.A. § 1892 is amended to read:

4 § 1892. CREATION OF DISTRICT

5 \* \* \*

6 (g) Beginning in ~~2019~~ 2021 and ~~annually~~ every four years thereafter, on or  
7 before January 15 of each year, the Joint Fiscal Office, with the assistance of  
8 the consulting Legislative Economist, the Department of Taxes, and the  
9 Agency of Commerce and Community Development in consultation with the  
10 Vermont Economic Progress Council, shall examine the recommendations and  
11 conclusions of the tax increment financing capacity study and report created  
12 pursuant to subsection (e) of this section, and shall submit to the Emergency  
13 Board and to the House Committees on Commerce and Economic  
14 Development and on Ways and Means and the Senate Committees on  
15 Economic Development, Housing and General Affairs and on Finance an  
16 updated summary report that includes:

17 \* \* \*

18 (h) ~~Annually~~ Beginning in 2021 and every four years thereafter, based on  
19 the analysis and recommendations included in the reports required in this  
20 section, the General Assembly shall consider the amount of new long-term net  
21 debt that prudently may be authorized for TIF districts in the next fiscal year

1 and determine whether to expand the number of TIF districts or similar  
2 economic development tools in addition to the previously approved districts  
3 referenced in subsection (d) of this section and the six additional districts  
4 authorized by 32 V.S.A. § 5404a(f).

5 Sec. 4. EFFECTIVE DATE

6 This act shall take effect on passage.

7 and that after passage the title of the bill be amended to read: “An act relating  
8 to tax increment financing districts”

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15 (Committee vote: \_\_\_\_\_)

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Representative \_\_\_\_\_

FOR THE COMMITTEE