

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~~ 2022 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 2022 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