

Amendment to Sections 1 and 2 of S.34 as passed by the Senate

Proposed by VHCB – April 12, 2017

*****Rural Economic Development Initiative*****

Section 1. 10 V.S.A. chapter 15, subchapter 4 is added to read:

§ 325m. RURAL ECONOMIC DEVELOPMENT INITIATIVE

(a) Definitions. As used in this subchapter:

(2) “Rural area” means a county of the State designated as “rural” or “mostly rural” by the U.S. Census Bureau in its most recent decennial census.

(3) “Small town” means a town in the State with a population of less than 5,000 at the date of the most recent U.S. Census Bureau decennial census.

(b) Establishment. There is created within the Vermont Housing and Conservation Board a Rural Economic Development Initiative to promote and facilitate community economic development in the small towns and rural areas of the State. The Rural Economic Development Initiative shall collaborate with municipalities, businesses, regional development corporations, and other appropriate entities to access funding and other assistance available to small towns and businesses in rural areas of the State when existing State resources or staffing assistance is not available.

(c) Services; access to funding.

(1) The Rural Economic Development Initiative shall provide the following services to small towns and businesses in rural areas:

(A) identification of grant or other funding opportunities available to small towns, and businesses in rural areas that facilitate business development, siting of businesses, infrastructure, or other economic development opportunities;

(B) technical assistance to small towns and businesses in rural areas in writing grants, accessing and completing the application process for identified grants or other funding opportunities, including writing applications for grants or other funding, coordination with providers of grants or other funding, strategic planning for the implementation or timing of activities funded by grants or other

funding, and compliance with the requirements of grant awards or awards of other funding.

(C) Recommending available grants, tax credits, or other incentives that a small town or rural area can use to attract businesses.

(2) In providing services under this subsection, the Rural Economic Development Initiative shall give first priority to projects that have received necessary State or municipal approval and that are ready for construction or implementation. Priority shall also be given to projects identified through community visits hosted by the Vermont Council on Rural Development or other public engagement planning processes.

(3) In identifying businesses, or business types, the Rural Economic Development Initiative shall seek to identify businesses or business types in the following priority areas:

(A) milk plants, milk handlers, or dairy products, as those terms are defined in 6 V.S.A. § 2672;

(B) the outdoor equipment or recreation industry;

(C) the value-added forest products industry;

(D) the value-added food industry;

(E) phosphorus removal technology; and

(F) composting facilities.

(d) Report. Beginning on January 31, 2018, and annually thereafter, the Rural Economic Development Initiative shall submit to the Senate Committees on Agriculture and on Economic Development, Housing and General Affairs and the House Committees on Agriculture and Forestry and on Commerce and Economic Development a report regarding the activities and progress of the Initiative. The report shall include:

(1) a summary of activities in the preceding calendar year;

(2) an evaluation of the effectiveness of the services provided to small towns and businesses in rural areas;

(3) an accounting of the grants or other funding facilitated or provided assistance with;

- (4) an accounting of the funds acquired by the Rural Economic Development Initiative for administration of grants or other funding mechanisms and whether these funds are sufficient to offset the cost of the Rural Economic Development Initiative; and
- (5) recommended changes to the program, including proposed legislative amendments to further economic development in small towns and rural areas in the State.

Sec. 2. APPROPRIATIONS; RURAL ECONOMIC DEVELOPMENT INITIATIVE

The sum of \$200,000 is appropriated from the Vermont Housing and Conservation Trust Fund to the Vermont Housing and Conservation Board for the implementation and administration of the Rural Economic Development Initiative established under 10 V.S.A. § 325m. This amount shall be in addition to the funds appropriated to VHCB in the FY2018 Appropriations Act.