

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

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

7           (1) the regional and statewide economic impact of existing tax  
8       increment financing districts; and

9           (2) the projected regional and statewide economic benefits that would  
10      result from a newly created tax increment financing district.

11          (b) On or before January 15, 2019, the Vermont Economic Progress  
12      Council shall prepare and present to the House Committees on Commerce and  
13      Economic Development and on Ways and Means, and the Senate Committees  
14      on Economic Development, Housing and General Affairs and on Finance draft  
15      legislation incorporating the metrics described in subsection (a) of this section  
16      as part of the criteria used to evaluate a municipality's application for a tax  
17      increment financing district.

18       Sec. 2. VERMONT ECONOMIC PROGRESS COUNCIL; ECONOMIC  
19           DEVELOPMENT; STUDY

20          (a) On or before January 15, 2019, the Vermont Economic Progress  
21      Council, in consultation with interested stakeholders, shall study the creation  
22      of a Statewide economic development tool that achieves the same goals of the  
23      tax increment financing program of promoting economic development and

1 expanding affordable housing, but that does not utilize resources from the  
2 Education Fund. The study shall include options for how to sustain such an  
3 economic development program in towns with both small and large  
4 populations.

5 (b) The Secretary of Commerce and Community Development shall submit  
6 a report to the House Committees on Commerce and Economic Development  
7 and on Ways and Means and the Senate Committees on Economic  
8 Development, Housing and General Affairs and on Finance with  
9 recommendations on the feasibility of the program described in subsection (a)  
10 of this section, and if feasible, how the program would be implemented.

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

12 § 1892. CREATION OF DISTRICT

13 \* \* \*

14 (g) Beginning in 2019 and ~~annually~~ every four years thereafter, on or  
15 before January 15 of each year, the Joint Fiscal Office, with the assistance of  
16 the consulting Legislative Economist, the Department of Taxes, and the  
17 Agency of Commerce and Community Development in consultation with the  
18 Vermont Economic Progress Council, shall examine the recommendations and  
19 conclusions of the tax increment financing capacity study and report created  
20 pursuant to subsection (e) of this section, and shall submit to the Emergency  
21 Board and to the House Committees on Commerce and Economic  
22 Development and on Ways and Means and the Senate Committees on

1 Economic Development, Housing and General Affairs and on Finance an  
2 updated summary report that includes:

3 \* \* \*

4 (h) ~~Annually~~ Beginning in 2019 and every four years thereafter, based on  
5 the analysis and recommendations included in the reports required in this  
6 section, the General Assembly shall consider the amount of new long-term net  
7 debt that prudently may be authorized for TIF districts in the next fiscal year  
8 and determine whether to expand the number of TIF districts or similar  
9 economic development tools in addition to the previously approved districts  
10 referenced in subsection (d) of this section and the six additional districts  
11 authorized by 32 V.S.A. § 5404a(f).