

1 Introduced by Committee on Economic Development and Housing and

2 General Affairs

3 Referred to Committee on

4 Date:

5 Subject: Commerce and trade; economic development

6 Statement of purpose of bill as introduced: This bill proposes to implement
7 multiple strategies in diverse subject areas to promote economic development.

8 An act relating to promoting economic development

9 It is hereby enacted by the General Assembly of the State of Vermont:

10 * * * Vermont Employment Growth Incentive Program * * *

11 Sec. A.1. 32 V.S.A. chapter 105 is amended to read:

12 Chapter 105: Vermont Employment Growth Incentive Program

13 * * *

14 § 3332. APPLICATION; APPROVAL CRITERIA

15 (a) Application.

16 (1) A business may apply for an incentive in one or more years of an
17 award period by submitting an application to the Council in the format the
18 Council specifies for that purpose.

19 (2) For each award year the business applies for an incentive, the
20 business shall:

1 (A) specify a payroll performance requirement;

2 (B) specify a jobs performance requirement or a capital investment
3 performance requirement, or both; and

4 (C) provide any other information the Council requires to evaluate the
5 application under this subchapter.

6 (b) Mandatory criteria. The Council shall not approve an application unless
7 it finds:

8 (1) Except as otherwise provided for an enhanced incentive for a
9 business in a qualifying labor market area under section 3334 of this title, the
10 new revenue the proposed activity ~~generates~~ would generate to the State
11 ~~exceeds~~ would exceed the costs of the activity to the State.

12 (2) The host municipality welcomes the new business.

13 (3) The Pursuant to a self-certification, or other documentation the
14 Council requires by rule or procedure, the business attests to the best of its
15 knowledge:

16 (A) the business is not a named party to an administrative order,
17 consent decree, or judicial order issued by the State or a subdivision of the
18 State;

19 (B) the business complies with applicable State laws and regulations
20 and;

1 (C) the proposed economic activity ~~conforms~~ would conform to
2 applicable town and regional plans and with applicable State laws and
3 regulations.

4 (4) If the business proposes to expand within a limited local market, an
5 incentive would not give the business an unfair competitive advantage over
6 other Vermont businesses in the same or similar line of business and in the
7 same limited local market.

8 (5) But for the incentive, the proposed economic activity:

9 (A) would not occur; or

10 (B) would occur in a significantly different manner that is
11 significantly less desirable to the State.

12 * * *

13 § 3334. ENHANCED INCENTIVE FOR A BUSINESS IN A QUALIFYING
14 LABOR MARKET AREA

15 (a) The Council may increase the value of an incentive for a business that is
16 located in a labor market area in which:

17 (1) the average annual unemployment rate is greater than the average
18 annual unemployment rate for the State; or

19 (2) the average annual wage is less than the average annual wage for the
20 State.

1 (b) In each calendar year, the amount by which the Council may increase
2 the value of all incentives pursuant to this section is:

3 (1) \$1,500,000.00 for one or more initial approvals; and

4 (2) \$1,000,000.00 for one or more final approvals.

5 (c) The Council may increase the cap imposed in subdivision (b)(2) of this
6 section by not more than \$500,000.00 upon application by the Governor to,
7 and approval of, the Joint Fiscal Committee.

8 (d) In evaluating the Governor's request, the Committee shall consider the
9 economic and fiscal condition of the State, including recent revenue forecasts
10 and budget projections.

11 (e) The Council shall provide the Committee with testimony,
12 documentation, company-specific data, and any other information the
13 Committee requests to demonstrate that increasing the cap will create an
14 opportunity for return on investment to the State.

15 (f) The purpose of the enhanced incentive for a business in a qualifying
16 labor market area is to increase job growth in economically disadvantaged
17 regions of the State, as provided in subsection (a) of this section.

18 § 3335. ENHANCED INCENTIVE FOR ENVIRONMENTAL
19 TECHNOLOGY BUSINESS

20 (a) As used in this section, an "environmental technology business" means a
21 business that:

1 (1) is subject to income taxation in Vermont; and

2 (2) seeks an incentive for economic activity in Vermont that the
3 Secretary of Commerce and Community Development certifies is primarily
4 research, design, engineering, development, or manufacturing related to one or
5 more of the following:

6 (A) waste management, including waste collection, treatment,
7 disposal, reduction, recycling, and remediation;

8 (B) natural resource protection and management, including water and
9 wastewater purification and treatment, air pollution control and prevention or
10 remediation, soil and groundwater protection or remediation, and hazardous
11 waste control or remediation;

12 (C) energy efficiency or conservation;

13 (D) clean energy, including solar, wind, wave, hydro, geothermal,
14 hydrogen, fuel cells, waste-to-energy, or biomass.

15 (b) The Council shall consider and administer an application from an
16 environmental technology business pursuant to the provisions of this
17 subchapter, except that:

18 (1) the business's potential share of new revenue growth shall be 90
19 percent; and

20 (2) to calculate qualifying payroll, the Council shall:

1 (A) determine the background growth rate in payroll for the
2 applicable business sector in the award year;

3 (B) multiply the business's full-time payroll for the award year by 20
4 percent of the background growth rate; and

5 (C) subtract the product from the payroll performance requirement for
6 the award year.

7 (c) The purpose of the enhanced incentive for an environmental technology
8 business is to promote the growth of businesses in Vermont that both create
9 and sustain high quality jobs and improve the natural environment.

10 * * *

11 § 3338. CLAIMING AN INCENTIVE; ANNUAL FILING WITH
12 DEPARTMENT OF TAXES

13 (a) On or before April 30 following each year of the utilization period, a
14 business with an approved application shall submit an incentive claim to the
15 Department of Taxes.

16 (b) A business shall include:

17 (1) the information the Department requires, including the information
18 required in section 5842 of this title and other documentation concerning
19 payroll, jobs, and capital investment necessary to determine whether the
20 business earned the incentive specified for an award year and any installment
21 payment for which the business is eligible; and

1 (2) a self-certification, or other documentation the Department requires
2 by rule or procedure, by which the business attests to the best of its knowledge
3 that:

4 (A) the business is not a named party to an administrative order,
5 consent decree, or judicial order issued by the State or a subdivision of the
6 State; and

7 (B) the business complies with applicable State laws and regulations.

8 (c) The Department may consider an incomplete claim to be timely filed if
9 the business files a complete claim within the additional time allowed by the
10 Department in its discretion.

11 (d) Upon finalizing its review of a complete claim, the Department shall:

12 (1) notify the business and the Council whether the business is entitled to
13 an installment payment for the applicable year; and

14 (2) make an installment payment to which the business is entitled.

15 (e) The Department shall not pay interest on any amounts it holds or pays
16 for an incentive or installment payment pursuant to this subchapter.

17 § 3339. RECAPTURE; REDUCTION; REPAYMENT

18 (a) Recapture.

19 (1) The Department of Taxes may recapture the value of one or more
20 installment payments a business has claimed, with interest, if:

1 (A) the business fails to file a claim as required in section 3338 of this
2 title; ~~or~~

3 (B) during the utilization period, the business experiences:

4 (i) a 90 percent or greater reduction from base employment; or

5 (ii) if it had no jobs at the time of application, a 90 percent or
6 greater reduction from the sum of its job performance requirements;

7 (C) the Department determines that during the application or claims
8 process the business knowingly made a false attestation that the business:

9 (i) was not a named party to an administrative order, consent
10 decree, or judicial order issued by the State or a subdivision of the State; or

11 (ii) was in compliance with State laws and regulations.

12 (2) If the Department determines that a business is subject to recapture
13 under subdivision (1) of this subsection, the business becomes ineligible to
14 earn or claim an additional incentive or installment payment for the remainder
15 of the utilization period.

16 (3) Notwithstanding any other statute of limitations, the Department may
17 commence a proceeding to recapture amounts under subdivision (1) of this
18 subsection as follows:

19 (A) under subdivision (1)(A) of this subsection, no later than three
20 years from the last day of the utilization period; and

1 (B) under subdivision (1)(B) of this subsection, no later than three
2 years from date the business experiences the reduction from base employment,
3 or three years from the last day of the utilization period, whichever occurs first.

4 (b) Reduction; recapture. If a business fails to make capital investments that
5 equal or exceed the sum of its capital investment performance requirements by
6 the end of the award period:

7 (1) The Department shall:

8 (A) calculate a reduced incentive by multiplying the combined value
9 of the business's award period incentives by the same proportion that the
10 business's total actual capital investments bear to the sum of its capital
11 investment performance requirements; and

12 (B) reduce the value of any remaining installment payments for which
13 the business is eligible by the same proportion.

14 (2) If the value of the installment payments the business has already
15 received exceeds the value of the reduced incentive, then:

16 (A) the business becomes ineligible to claim any additional
17 installment payments for the award period; and

18 (B) the Department shall recapture the amount by which the value of
19 the installment payments the business has already received exceeds the value
20 of the reduced incentive.

21 (c) Tax liability.

1 (1) A person who has the duty and authority to remit taxes under this title
2 shall be personally liable for an installment payment that is subject to recapture
3 under this section.

4 (2) For purposes of this section, the Department of Taxes may use any
5 enforcement or collection action available for taxes owed pursuant to chapter
6 151 of this title.

7 * * *

8 § 3341. CONFIDENTIALITY OF ~~PROPRIETARY~~ BUSINESS
9 INFORMATION

10 (a) ~~The Vermont Economic Progress Council and the Department of Taxes~~
11 ~~shall use measures to protect proprietary financial information, including~~
12 ~~reporting information in an aggregate form.~~

13 (b) ~~Information~~ Except for information required to be reported under
14 section 3340 of this title or as provided in this section, information and
15 materials submitted by a business concerning its income taxes and other
16 confidential financial information to the Vermont Economic Progress Council,
17 or business-specific data generated by the Council as part of its consideration
18 of an application under this subchapter, that is not otherwise publicly
19 disclosed, shall not be subject to public disclosure under the State's public
20 records law in 1 V.S.A. chapter 5, but shall be is exempt from public
21 inspection and copying under the Public Records Act and shall be kept

1 confidential. Records related to incentive claims under this chapter that are
2 produced or acquired by the Department of Taxes are confidential returns or
3 return information and are subject to the provisions of section 3102 of this title.

4 (b)(1) The Council shall disclose information and materials described in
5 subsection (a) of this section:

6 (A) to the Joint Fiscal Office or its agent upon authorization of the
7 Joint Fiscal Committee or a standing committee of the General Assembly, ~~and~~
8 ~~shall also be available; and~~

9 (B) to the Auditor of Accounts in connection with the performance of
10 duties under section 163 of this title; ~~provided, however, that the~~

11 (2) The Joint Fiscal Office or its agent and the Auditor of Accounts shall
12 not disclose, directly or indirectly, to any person any ~~proprietary business~~
13 ~~information or any information that would identify a business~~ or materials
14 ~~received under this subsection except in accordance with a judicial order or as~~
15 ~~otherwise specifically provided~~ unless authorized by law.

16 (c) Nothing in this section shall be construed to prohibit the publication of
17 statistical information, rulings, determinations, reports, opinions, policies, or
18 other information so long as the data are disclosed in a form that cannot
19 identify or be associated with a particular business.

20 * * *

21 * * * VEGI; Confidentiality * * *

1 Sec. A.2. 32 V.S.A. § 3102 is amended to read:

2 § 3102. CONFIDENTIALITY OF TAX RECORDS

3 (a) No present or former officer, employee, or agent of the Department of
4 Taxes shall disclose any return or return information to any person who is not
5 an officer, employee, or agent of the Department of Taxes except in
6 accordance with the provisions of this section. A person who violates this
7 section shall be fined not more than \$1,000.00 or imprisoned for not more than
8 one year, or both; and if the offender is an officer or employee of this State, he
9 or she shall, in addition, be dismissed from office and be incapable of holding
10 any public office for a period of five years thereafter.

11 * * *

12 (d) The Commissioner shall disclose a return or return information:

13 * * *

14 (6) to the Vermont Economic Progress Council, provided that the
15 disclosure relates to a successful business applicant under chapter 105,
16 subchapter 2 of this title and the incentive it has claimed and is reasonably
17 necessary for the Council to perform its duties under that subchapter.

18 * * *

19 (e) The Commissioner may, in his or her discretion and subject to such
20 conditions and requirements as he or she may provide, including any

1 confidentiality requirements of the Internal Revenue Service, disclose a return
2 or return information:

3 * * *

4 (11) To the Joint Fiscal Office or its agent, provided that the disclosure
5 relates to a successful business applicant under chapter 105, subchapter 2 of
6 this title and the incentive it has claimed and is reasonably necessary for the
7 Joint Fiscal Office or its agent to perform the duties authorized by the Joint
8 Fiscal Committee or a standing committee of the General Assembly under that
9 subchapter; to the Auditor of Accounts for the performance of duties under
10 section 163 of this title; and to the Department of Economic Development for
11 the purposes of subsection 5922(f) of this title; ~~and to the Vermont Economic
12 Progress Council, provided that the disclosure relates to a successful business
13 applicant under chapter 105, subchapter 2 of this title and the incentive it has
14 claimed and is reasonably necessary for the Council to perform its duties under
15 that subchapter.~~

16 * * *

17 * * * Land Use and Economic Development * * *

18 * * * Act 250 Parties; Prohibition on Monetary Demand in Return for

19 Withdrawal * * *

20 Sec. B.1. 10 V.S.A. § 6085 is amended to read:

21 § 6085. HEARINGS; PARTY STATUS

1 (a), (b) [Repealed.]

2 (c)(1) Party status. In proceedings before the District Commissions, the
3 following persons shall be entitled to party status:

4 (A) the applicant;

5 (B) the landowner, if the applicant is not the landowner;

6 (C) the municipality in which the project site is located, and the
7 municipal and regional planning commissions for that municipality; if the
8 project site is located on a boundary, any Vermont municipality adjacent to
9 that border and the municipal and regional planning commissions for that
10 municipality; and the solid waste management district in which the land is
11 located, if the development or subdivision constitutes a facility pursuant to
12 subdivision 6602(10) of this title;

13 (D) any State agency affected by the proposed project;

14 (E) any adjoining property owner or other person who has a
15 particularized interest protected by this chapter that may be affected by an act
16 or decision by a District Commission.

17 * * *

18 (7) For-profit entities; money demand. A for-profit business entity that
19 is a party under subdivision (c)(1)(E) of this section to an application
20 proceeding under this chapter or an appeal from such a proceeding may offer
21 to withdraw its opposition or appeal in return for payment or other

1 consideration only if the payment or consideration will redress, mitigate, or
2 remediate the effect of the proposed development or subdivision on a
3 particularized interest protected by this chapter for which the entity obtained
4 party status. Noncompliance with this subdivision (7) shall disqualify the
5 entity from party status.

6 * * * Public Retirement * * *

7 Sec. C.1. THE GREEN MOUNTAIN SECURE RETIREMENT PLAN

8 (a) The State of Vermont shall, consistent with federal law and regulation,
9 adopt and implement a voluntary Multiple Employer Plan (MEP) public
10 retirement plan, which shall remain in compliance with federal law and
11 regulations once implemented, and shall be called the “Green Mountain Secure
12 Retirement Plan.”

13 (b) The Plan shall be designed and implemented based upon the following
14 guiding principles:

15 (1) Simplicity: the Plan should be easy for participants to understand.

16 (2) Affordability: the Plan should be administered to maximize cost
17 effectiveness and efficiency.

18 (3) Ease of access: the Plan should be easy to join.

19 (4) Trustworthy oversight: the Plan should be administered by an
20 organization with unimpeachable credentials.

1 (5) Protection from exploitation: the Plan should protect its participants,
2 particularly the elderly, from unscrupulous business practices and individuals.

3 (6) Portability: the Plan should not depend upon employment with a
4 specific firm or organization.

5 (7) Choice: the Plan should provide sufficient investment alternatives to
6 be suitable for individuals with distinct goals, but not too many options to
7 induce analysis paralysis.

8 (8) Voluntary: the Plan should not be mandatory but autoenrollment
9 should be used to increase participation.

10 (9) Financial education and financial literacy: the Plan should assist the
11 individual in understanding their financial situation.

12 (10) Sufficient savings: the Plan should encourage adequate savings in
13 retirement combined with existing pension savings and Social Security.

14 (11) Additive not duplicative: the Plan should not compete with
15 existing private sector solutions.

16 (12) Use of pretax dollars: contributions to the Plan should be made
17 using pretax dollars.

18 (c) The Plan shall:

19 (1) be available on a voluntary basis to:

20 (A) employers:

21 (i) with 50 employees or fewer; and

1 (ii) who do not currently offer a retirement plan to their
2 employees; and

3 (B) self-employed individuals;

4 (2) automatically enroll all employees of employers who choose to
5 participate in the MEP;

6 (3) allow employees the option of withdrawing their enrollment and
7 ending their participation in the MEP;

8 (4) be funded by employee contributions with an option for future
9 voluntary employer contributions; and

10 (5) be overseen by a board which shall:

11 (A) set program terms;

12 (B) prepare and design plan documents; and

13 (C) be authorized to appoint an administrator to assist in the selection
14 of investments, managers, custodians, and other support services.

15 (d) The State of Vermont shall implement the “**Green Mountain Secure**
16 **Retirement Plan**” on or before January 15, 2019, based on the
17 recommendations of the Public Retirement Plan Study Committee as set forth
18 in Sec. C.2 of this act.

19 Sec. C.2. 2016 Acts and Resolves No. 157, Sec. F.1 is amended to read:

20 Sec. F.1. INTERIM STUDY ON THE FEASIBILITY OF

21 ESTABLISHING A PUBLIC RETIREMENT PLAN

1 (a) Creation of Committee.

2 (1) There is created a the Public Retirement Plan Study Committee to
3 evaluate the feasibility of establishing a public retirement plan.

4 (2) It is the intent of the General Assembly that the Committee continue
5 the work of the Public Retirement Plan Study Committee created in 2014 Acts
6 and Resolves No. 179, Sec. C.108, as amended by 2015 Acts and Resolves
7 No. 58, Sec. C.100, which ceased to exist on January 15, 2016, and to develop
8 specific recommendations concerning the design, creation, and implementation
9 of the Multiple Employer Plan (MEP) pursuant to in Sec. C.1 of this act and as
10 set forth in the January 6, 2017 report issued by the Committee.

11 (b) Membership.

12 (1) The Public Retirement Plan Study Committee shall be composed of
13 eight members as follows:

14 (A) the State Treasurer or designee;

15 (B) the Commissioner of Labor or designee;

16 (C) the Commissioner of Disabilities, Aging, and Independent Living
17 or designee;

18 (D) an individual with private sector experience in the area of
19 providing retirement products and financial services to small businesses, to be
20 appointed by the Speaker;

1 (E) an individual with experience or expertise in the area of the
2 financial needs of an aging population, to be appointed by the Committee
3 on Committees;

4 (F) an individual with experience or expertise in the area of the
5 financial needs of Vermont youth or young working adults, to be appointed by
6 the Treasurer;

7 (G) a representative of employers, to be appointed by the
8 Speaker; and

9 (H) a representative of employees who currently lack access to
10 employer-sponsored retirement plans, to be appointed by the Committee
11 on Committees.

12 (2) Unless another appointee is specified pursuant to the authority
13 granted under subdivision (1) of this subsection, the members of the Public
14 Retirement Plan Study Committee created in 2014 Acts and Resolves No. 179,
15 Sec. C.108, as amended by 2015 Acts and Resolves No. 58, Sec. C.100, which
16 ceased to exist on January 15, 2016, shall serve as the members of the
17 Committee created pursuant to this section.

18 (c) Powers and duties.

19 (1)(A) The Committee shall ~~study the feasibility of establishing a~~
20 develop specific recommendations concerning the design, creation, and
21 implementation time line of the Multiple Employer Plan (MEP) public

1 retirement plan, ~~including the following~~ pursuant to Sec. C.1 of this act, which
2 shall:

3 (i) ~~the access Vermont residents currently have to~~
4 ~~employer-sponsored retirement plans and the types of employer-sponsored~~
5 ~~retirement plans;~~

6 (ii) ~~data and estimates on the amount of savings and resources~~
7 ~~Vermont residents will need for a financially secure retirement;~~

8 (iii) ~~data and estimates on the actual amount of savings and~~
9 ~~resources Vermont residents will have for retirement, and whether those~~
10 ~~savings and resources will be sufficient for a financially secure retirement;~~

11 (iv) ~~current incentives to encourage retirement savings, and the~~
12 ~~effectiveness of those incentives;~~

13 (v) ~~whether other states have created a public retirement plan and~~
14 ~~the experience of those states;~~

15 (vi) ~~whether there is a need for a public retirement plan~~
16 ~~in Vermont;~~

17 (vii) ~~whether a public retirement plan would be feasible and~~
18 ~~effective in providing for a financially secure retirement for Vermont residents;~~

19 (viii) ~~other programs or incentives the State could pursue in~~
20 ~~combination with a public retirement plan, or instead of such a plan, in order to~~

1 ~~encourage residents to save and prepare for retirement; and~~ be available on a
2 voluntary basis to:

3 (I) employers:

4 (aa) with 50 employees or fewer; and

5 (bb) who do not currently offer a retirement plan to their
6 employees; and

7 (II) self-employed individuals;

8 (ii) automatically enroll all employees of employers who choose
9 to participate in the MEP;

10 (iii) allow employees the option of withdrawing their enrollment
11 and ending their participation in the MEP;

12 (iv) be funded by employee contributions with an option for future
13 voluntary employer contributions; and

14 (iii) be overseen by a board which shall:

15 (I) set programs terms;

16 (II) prepare and design plan documents; and

17 (III) be authorized to appoint an administrator to assist in the
18 selection of investments, managers, custodians, and other support services.

19 ~~(B) if the Committee determines that a public retirement plan is~~
20 ~~necessary, feasible, and effective, the Committee shall study:~~

1 ~~(i) potential models for the structure, management, organization,~~
2 ~~administration, and funding of such a plan;~~

3 ~~(ii) how to ensure that the plan is available to private sector~~
4 ~~employees who are not covered by an alternative retirement plan;~~

5 ~~(iii) how to build enrollment to a level where enrollee costs can~~
6 ~~be lowered;~~

7 ~~(iv) whether such a plan should impose any obligation or liability~~
8 ~~upon private sector employers; The Committee, and thereafter the board which~~
9 ~~shall oversee the MEP, shall study and make specific recommendations~~
10 ~~concerning:~~

11 (i) options to provide access to retirement plans to individuals who
12 are not eligible to participate in, or choose not to participate in, the MEP public
13 retirement plan, including alternative plans and options vetted by the board
14 which shall oversee the MEP, and which plans and options shall be provided
15 through a marketplace implemented no earlier than one year after the MEP
16 begins;

17 (ii) options for paying for the costs of administering the MEP for
18 the period during which program costs may exceed revenues, including
19 allowing financial service providers to subsidize costs in exchange for longer
20 term contracts;

1 (iii) the composition, membership, and powers of the board which
2 shall oversee the MEP;

3 (iv) if after three years there remain significant numbers of
4 Vermonters who are not covered by a retirement plan, methods to increase
5 participation in the MEP; and

6 (v) any other issue the Committee deems relevant.

7 (2) The Committee shall:

8 (A) continue monitoring U.S. Department of Labor guidance
9 concerning State Savings Programs for Non-Governmental Employees
10 regarding ERISA rules and other pertinent areas of analysis;

11 (B) further analyze the relationship between the role of states and the
12 federal government; and

13 (C) continue its collaboration with educational institutions, other
14 states, and national stakeholders.

15 (3) The Committee shall have the assistance of the staff of the Office of
16 the Treasurer, the Department of Labor, and the Department of Disabilities,
17 Aging, and Independent Living.

18 (d) Report. On or before January 15, 2018, the Committee shall report to
19 the General Assembly its findings and ~~any~~ recommendations ~~for legislative~~
20 ~~action~~. In its report, the Committee shall state its findings as to every factor set
21 forth in ~~subdivision~~ subdivisions (c)(1)(A) ~~of this section, whether it~~

1 ~~recommends that a public retirement plan be created, and the reasons for that~~
2 ~~recommendation. If the Committee recommends that a public retirement plan~~
3 ~~be created, the Committee's report shall include specific recommendations as~~
4 ~~to the factors listed in subdivision and (c)(1)(B) of this section.~~

5 (e) Meetings; term of Committee; Chair. The Committee may meet
6 as frequently as necessary to perform its work and shall cease to exist on
7 January 15, 2018. The State Treasurer shall serve as Chair of the Committee
8 and shall call the first meeting.

9 (f) Reimbursement. For attendance at meetings, members of the
10 Committee who are not employees of the State of Vermont shall be reimbursed
11 at the per diem rate set in 32 V.S.A. § 1010 and shall be reimbursed for
12 mileage and travel expenses.

13 * * * Workers' Compensation; VOSHA * * *

14 Sec. D.1. 21 V.S.A. § 210 is amended to read:

15 § 210. PENALTIES

16 (a) Upon issuance of a citation under this chapter, the Review Board is
17 authorized to assess civil penalties for grounds provided in this subsection. In
18 assessing civil penalties, the Review Board shall follow to the degree
19 practicable the federal procedures prescribed in rules promulgated under the
20 Act. The Review Board shall give due consideration to the appropriateness of
21 the penalty with respect to the size of the business or operation of the employer

1 being assessed, the gravity of the violation, the good faith of the employer, and
2 the history of previous violations. Civil penalties shall be paid to the
3 Commissioner for deposit with the State Treasurer, and may be recovered in a
4 civil action in the name of the State of Vermont brought in any court of
5 competent jurisdiction. The Commissioner shall not reduce the assessed
6 penalties in any fiscal year by more than 50 percent.

7 (1) Any employer who willfully or repeatedly violates the requirements
8 of this Code or any standard, or rule adopted, or order ~~promulgated~~ issued
9 pursuant to this Code ~~or regulations prescribed pursuant to this Code~~ may be
10 assessed a civil penalty of not more than ~~\$70,000.00~~ \$126,749.00 for each
11 violation, but not less than \$5,000.00 for each willful violation.

12 (2) Any employer who has received a citation for a serious violation of
13 the requirements of this Code, or any standard, or rule adopted, or order
14 ~~promulgated~~ issued pursuant to this Code, ~~or of any regulations prescribed~~
15 ~~pursuant to this Code~~, shall be assessed a civil penalty of up to ~~\$7,000.00~~
16 \$12,675.00 for each violation.

17 (3) Any employer who has received a citation for a violation of the
18 requirements of this Code, or any standard, or rule adopted, or order
19 ~~promulgated~~ issued pursuant to this Code ~~or of regulations prescribed pursuant~~
20 ~~to this Code, and such violation~~ if the violation is specifically determined not

1 to be of a serious nature, may be assessed a civil penalty of up to ~~\$7,000.00~~
2 \$12,675.00 for each such violation.

3 (4) Any employer who fails to correct a violation for which a citation
4 has been issued within the period permitted for its correction, which period
5 shall not begin to run until the date of the final order of the Review Board, in
6 the case of any review proceeding under section 226 of this title initiated by
7 the employer in good faith and not solely for delay or avoidance of penalties,
8 may be assessed a civil penalty of not more than ~~\$7,000.00~~ \$12,675.00 for
9 each day during which the failure or violation continues.

10 (5) Any employer who willfully violates any standard; or rule adopted,
11 or order promulgated issued pursuant to this Code, and that violation caused
12 death to any employee, shall, upon conviction, be punished by a fine of not
13 more than ~~\$20,000.00~~ \$126,749.00 or by imprisonment for not more than one
14 year, or by both.

15 * * *

16 (8) Any employer who violates any of the posting requirements, as
17 prescribed under the provisions of this Code, shall be assessed a civil penalty
18 of up to ~~\$7,000.00~~ \$12,675.00 for each violation.

19 (9)(A) As provided under the federal Civil Penalties Inflation
20 Adjustment Act Improvements Act of 2015 and the Act, the penalties provided
21 in subdivisions (1), (2), (3), (4), (5), and (8) of this section shall annually, on

1 January 1, be adjusted to reflect the increase in the Consumer Price Index,
2 CPI-U, U.S. City Average, not seasonally adjusted, as calculated by the U.S.
3 Department of Labor or successor agency for the 12 months preceding the
4 previous December 1.

5 (B) The Commissioner shall calculate and publish the adjustment to
6 the penalties on or before January 1 of each year and the penalties shall apply
7 to fines imposed on or after that date.

8 * * *

9 Sec. D.2. 21 V.S.A. § 711 is amended to read:

10 § 711. WORKERS' COMPENSATION ADMINISTRATION FUND

11 (a) A Workers' Compensation Administration Fund is created pursuant to
12 32 V.S.A. chapter 7, subchapter 5 to be expended by the Commissioner for the
13 administration of the workers' compensation and occupational disease
14 programs. The Fund shall consist of contributions from employers made at a
15 rate of ~~4.75~~ 1.4 percent of the direct calendar year premium for workers'
16 compensation insurance, one percent of self-insured workers' compensation
17 losses, and one percent of workers' compensation losses of corporations
18 approved under this chapter. Disbursements from the Fund shall be on
19 warrants drawn by the Commissioner of Finance and Management in
20 anticipation of receipts authorized by this section.

21 * * *

1 * * * Workforce Development; Career and Technical Education * * *

2 Sec. E.1. WORKFORCE NEEDS AND CTE ASSESSMENT

3 (a) The, Department of Labor, in collaboration with the Agency of
4 Commerce and Community Development and the Agency of Education, shall
5 undertake a workforce needs and career and technical education assessment:

6 (1) to identify sectors and subsectors of the Vermont economy that are
7 growing and require more workers; and

8 (2) to improve and target career and technical education in these growth
9 sectors.

10 (b) The Department of Labor shall produce data and analysis of workforce
11 needs at the NAICS sector and subsector levels, and for firm size by county, in
12 order to facilitate the workforce needs assessment required by this section.

13 (c) The Department shall submit a report of its findings, conclusions, and
14 recommendations for legislative action on or before December 15, 2017.

15 Sec. E.2. 10 V.S.A. § 543 is amended to read:

16 § 543. WORKFORCE EDUCATION AND TRAINING FUND; GRANT
17 PROGRAMS

18 (a) Creation. There is created a Workforce Education and Training Fund in
19 the Department of Labor to be managed in accordance with 32 V.S.A. chapter
20 7, subchapter 5.

1 (b) Purposes. The Department shall use the Fund for the following
2 purposes:

3 (1) training for Vermont workers, including those who are unemployed,
4 underemployed, or in transition from one job or career to another;

5 (2) internships to provide students with work-based learning
6 opportunities with Vermont employers;

7 (3) apprenticeship, preapprenticeship, and industry-recognized credential
8 training; and

9 (4) other workforce development initiatives related to current and future
10 job opportunities in Vermont as determined by the Commissioner of Labor.

11 (c) Administrative and other support. The Department of Labor shall
12 provide administrative support for the grant award process. When appropriate
13 and reasonable the State Workforce Investment Board and all other public
14 entities involved in economic development and workforce education and
15 training shall provide other support in the process.

16 (d) Eligible activities.

17 (1) The Department shall grant awards from the Fund to employers and
18 entities, including private, public, and nonprofit entities, institutions of higher
19 education, high schools, middle schools, technical centers, and workforce
20 education and training programs that:

1 (A) create jobs, offer education, training, apprenticeship,
2 preapprenticeship and industry-recognized credentials, mentoring, career
3 planning, or work-based learning activities, or any combination;

4 (B) employ student-oriented approaches to workforce education and
5 training; and

6 (C) link workforce education and economic development strategies.

7 (2) The Department may fund programs or projects that demonstrate
8 actual increased income and economic opportunity for employees and
9 employers for more than one year.

10 (3) The Department may fund student internships and training programs
11 that involve the same employer in multiple years with approval of the
12 Commissioner.

13 (e) Repealed].

14 (f) Awards. The Commissioner of Labor, in consultation with the Chair of
15 the State Workforce Development Board, shall develop award criteria and may
16 grant awards to the following:

17 (1) Training Programs.

18 (A) Public, private, and nonprofit entities, including employers and
19 education and training providers, for existing or new training programs that
20 enhance the skills of Vermont workers and:

1 (i) train workers for trades or occupations that are expected to lead
2 to jobs paying at least 200 percent of the current minimum wage or at least 150
3 percent if benefits are included; this requirement may be waived when
4 warranted based on regional or occupational wages or economic reality;

5 (ii) do not duplicate, supplant, or replace other available training
6 funded with public money;

7 (iii) provide a project timeline, including performance goals, and
8 identify how the effectiveness and outcomes of the program will be measured,
9 including for the individual participants, the employers, and the program as a
10 whole; and

11 (iv) articulate the need for the training and the direct connection
12 between the training and the job.

13 (B) The Department shall grant awards under this subdivision (1) to
14 programs or projects that:

15 (i) offer innovative programs of intensive, student-centric,
16 competency-based education, training, apprenticeship, preapprenticeship and
17 industry-recognized credentials, mentoring, or any combination of these;

18 (ii) address the needs of workers who are unemployed,
19 underemployed, or are at risk of becoming unemployed, and workers who are
20 in transition from one job or career to another;

1 (iii) address the needs of employers to hire new employees, or
2 retrain incumbent workers, when the employer has demonstrated a need not
3 within the normal course of business, with priority to training that results in
4 new or existing job openings for which the employer intends to hire; or

5 (iv) in the discretion of the Commissioner, otherwise serve the
6 purposes of this chapter.

7 (2) Vermont Strong Internship Program. Funding for eligible internship
8 programs and activities under the Vermont Strong Internship Program
9 established in section 544 of this title.

10 (3) Apprenticeship Program. The Vermont Apprenticeship Program
11 established under 21 V.S.A. chapter 13. Awards under this subdivision may be
12 used to fund the cost of apprenticeship-related instruction provided by the
13 Department of Labor.

14 (4) Career Focus and Planning programs. Funding for one or more
15 programs that institute career training and planning for young Vermonters,
16 beginning in middle school.

17 * * * Vermont Minimum Wage * * *

18 Sec. F.1. MINIMUM WAGE STUDY

19 (a) Creation. There is created a Minimum Wage Study Committee.

20 (b) Membership. The Committee shall be composed of the following
21 members:

1 (1) two current members of the House of Representatives, not all from
2 the same political party, who shall be appointed by the Speaker of the House;

3 (2) two current members of the Senate, not all from the same political
4 party, who shall be appointed by the Committee on Committees;

5 (3) one member from the organized labor community appointed by the
6 Governor;

7 (4) one member from the business community appointed by the
8 Governor; and

9 (5) the Commissioner of Labor, who shall serve as chair.

10 (c) Powers and duties. The Committee shall study the following issues:

11 (1) the minimum wage in Vermont and livable wage in Vermont in
12 relation to real cost of living;

13 (2) the economic effects of small to large increases in the Vermont
14 minimum wage;

15 (3) the potential for improving economic prosperity for Vermonters with
16 low and middle income through the Vermont Earned Income Tax Credit; and

17 (4) specific means of mitigating the “benefits cliff.”

18 (d) Assistance. The Committee shall have the administrative, technical,
19 and legal assistance of the Department of Labor and the Agency of Commerce
20 and Community Development.

1 (e) Report. On or before December 1, 2017, the Committee shall submit a
2 written report to the General Assembly and the Governor with its findings and
3 any recommendations for legislative action.

4 (f) Meetings.

5 (1) The Commissioner of Labor shall call the first meeting of the
6 Committee to occur on or before August 1, 2017.

7 (2) A majority of the membership shall constitute a quorum.

8 (3) The Committee shall cease to exist on December 1, 2017.

9 (g) Reimbursement.

10 (1) For attendance at meetings during adjournment of the General
11 Assembly, legislative members of the Committee shall be entitled to per diem
12 compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for
13 no more than five meetings.

14 (2) Other members of the Committee who are not employees of the State
15 of Vermont and who are not otherwise compensated or reimbursed for their
16 attendance shall be entitled to per diem compensation and reimbursement of
17 expenses pursuant to 32 V.S.A. § 1010 for no more than five meetings.

18 * * * Cross-Promotion of Economic Development and State Policy Goals;

19 Development Cabinet * * *

20 Sec. G.1. 3 V.S.A. § 2293 is amended to read:

21 § 2293. DEVELOPMENT CABINET

1 (a) Legislative purpose. The General Assembly deems it prudent to
2 establish a permanent and formal mechanism to ~~assure~~ ensure collaboration
3 and consultation among State agencies and departments, in order to support
4 and encourage Vermont's economic development, while at the same time
5 conserving and promoting Vermont's traditional settlement patterns, its
6 working and rural landscape, its strong communities, and its healthy
7 environment, all in a manner set forth in this section.

8 (b) Development Cabinet.

9 (1)(A) ~~A~~ The Development Cabinet is created, to consist of the
10 Secretaries of ~~the Agencies of~~ Administration, of Agriculture, Food and
11 Markets, of Commerce and Community Development, of Education, of
12 Natural Resources, and of Transportation.

13 (B) The Governor or the Governor's designee shall chair the
14 Development Cabinet.

15 (2) The Development Cabinet shall advise the Governor on how best to
16 implement the purposes of this section, and shall recommend changes as
17 appropriate to improve implementation of those purposes.

18 (3)(A) The Development Cabinet may establish interagency work
19 groups to support its mission, drawing membership from any agency or
20 department of State government.

1 (B) Any interagency work groups established under this subsection
2 (b) shall evaluate, test the feasibility of, and suggest alternatives to economic
3 development proposals, including proposals for public-private partnerships,
4 submitted to them for consideration.

5 (C) The Development Cabinet shall refer to appropriate interagency
6 workgroups any economic development proposal that has a significant impact
7 on the inventory or use of State land or buildings.

8 (4) The Development Cabinet shall:

9 (A) review State loan, grant, and other incentive programs to explore
10 whether and how the expenditure of State funds through incentive programs
11 can cross-promote relevant State policies, including the adoption of renewable
12 energy, public access to conserved lands, and water quality improvements;

13 (B) recommend to the Governor and the General Assembly areas for
14 improvement, program changes, conditions on incentives, and other strategies
15 to ensure cross-promotion of relevant State policies through incentive
16 programs; and

17 (C) on or before December 15 of each even-numbered year, submit a
18 report to the Governor and the General Assembly on the implementation of its
19 recommendations and the effectiveness of efforts to cross-promote incentive
20 programs and State policies.

1 (c) Implementation. All State agencies that have programs or take actions
2 affecting land use, including those identified under ~~3 V.S.A.~~ chapter 67 of this
3 title, shall, through or in conjunction with the members of the Development
4 Cabinet:

5 (1) Support conservation of working lands and open spaces.

6 (2) Strengthen agricultural and forest product economies, and encourage
7 the diversification of these industries.

8 (3) Develop and implement plans to educate the public by encouraging
9 discussion at the local level about the impacts of poorly designed growth, and
10 support local efforts to enhance and encourage development and economic
11 growth in the State’s existing towns and villages.

12 (4) Administer tax credits, loans, and grants for water, sewer, housing,
13 schools, transportation, and other community or industrial infrastructure, in a
14 manner consistent with the purposes of this section.

15 (5) To the extent possible, endeavor to make the expenditure of State
16 appropriations consistent with the purposes of this section.

17 (6) Encourage development in, and work to revitalize, land and
18 buildings in existing village and urban centers, including “brownfields,”
19 housing stock, and vacant or underutilized development zones. Each agency is
20 to set meaningful and quantifiable benchmarks.

1 (7) Encourage communities to approve settlement patterns based on
2 maintaining the State’s compact villages, open spaces, working landscapes,
3 and rural countryside.

4 (8) Encourage relatively intensive residential development close to
5 resources such as schools, shops, and community centers and make
6 infrastructure investments to support this pattern.

7 (9) Support recreational opportunities that build on Vermont’s
8 outstanding natural resources, and encourage public access for activities such
9 as boating, hiking, fishing, skiing, hunting, and snowmobiling. ~~Support;~~ and
10 support and work collaboratively to make possible sound development and
11 well-planned growth in existing recreational infrastructure.

12 (10) Provide means and opportunity for downtown housing for mixed
13 social and income groups in each community.

14 (11) [Repealed.]

15 (12) Encourage timely and efficient processing of permit applications
16 affecting land use, ~~including~~ pursuant to 10 V.S.A. chapter 151 and the
17 subdivision regulations adopted under 18 V.S.A. § 1218, in order to encourage
18 the development of affordable housing and small business expansion, while
19 protecting Vermont’s natural resources.

20 (13) Participate in creating a long-term economic development plan,
21 including making available the members of any agency or department of State

1 government as necessary and appropriate to support the mission of an
2 interagency work group established under subsection (b) of this section.

3 (d) Interagency work group.

4 (1) Pursuant to the recommendations of the Oversight Panel on
5 Economic Development created in 2010 Acts and Resolves No. 146, Sec. G6,
6 the Development Cabinet shall create an interagency work group as provided
7 in subsection (b) of this section with the Secretary of Commerce and
8 Community Development serving as its chair.

9 (2) The mission of the work group shall be to develop a long-term
10 economic development plan for the State, which shall identify goals and
11 recommend actions to be taken over 10 years, and which shall be consistent
12 with the four principles of economic development identified in 10 V.S.A. § 3
13 and the relevant population-level outcomes for economic development set forth
14 in ~~3 V.S.A. §~~ section 2311 of this title.

15 (e) Long-term economic development plan. (1) On or before January 15,
16 2014, and every two years thereafter, the Development Cabinet or its work
17 group shall complete a long-term economic development plan as required
18 under subsection (d) of this section and recommend it to the Governor.

19 (2) Commencing with the plan due on or before January 15, 2016, the
20 Development Cabinet or its work group may elect only to prepare and

1 recommend to the Governor an update of the long-term economic development
2 plan.

3 (3) Administrative support for the economic development planning
4 efforts of the Development Cabinet or its work group shall be provided by the
5 Agency of Commerce and Community Development.

6 (f) Limitations. This Cabinet is strictly an ~~information-gathering~~
7 information-gathering and coordinating cabinet and confers no additional
8 enforcement powers.

9 * * * Financial Technology * * *

10 Sec. H.1. FINANCIAL TECHNOLOGY

11 (a) The General Assembly finds:

12 (1) The field of financial technology is rapidly expanding in scope and
13 application.

14 (2) These developments present both opportunities and challenges.

15 (3) On the opportunity side, Vermont has been a leader in previous
16 innovations in finance in contexts such as captive insurance.

17 (4) The existing Vermont legislation on blockchain technology and
18 other aspects of e-finance have given Vermont the potential for leadership in
19 this new era of innovation as well, with the possibility of expanded economic
20 activity in the financial technology sector that would provide opportunities for
21 employment, tax revenues and other benefits.

1 (5) Furthermore, it is important for Vermonters that these developments
2 proceed in ways that do not create avoidable risks for individuals and
3 enterprises in the new e-economy.

4 (6) The legislative and regulatory response in Vermont will be critical to
5 our ability to embrace the benefits of financial technology and to avoid
6 challenges it may create.

7 (b)(1) In order to permit the legislature to respond to these developing
8 opportunities and concerns on an informed basis, on or before November 30,
9 2017 the Center for Legal Innovation at Vermont Law School, in consultation
10 with the Commissioner of Financial Regulation, the Secretary of Commerce
11 and Community Development, and the Attorney General, shall submit a report
12 to the General Assembly that includes:

13 (A) findings and recommendations on the potential opportunities and
14 risks presented by developments in financial technology;

15 (B) suggestions for an overall policy direction and proposals for
16 legislative and regulatory action that would effectively implement that policy
17 direction; and

18 (C) measurable goals and outcome that would indicate success in the
19 implementation of such a policy.

20 (2) In developing the background for this report, the Center,
21 Commissioner, Secretary, and Attorney General may consult such other

1 constituencies and stakeholders within and outside of the State as they may
2 determine for information that will be helpful to their considerations.

3 * * * Business Investment and Support; Economic Development Marketing

4 Appropriations * * *

5 Sec. I.1. APPROPRIATION; SMALL BUSINESS DEVELOPMENT

6 CENTER

7 In fiscal year 2018 the amount of \$350,000.00 is appropriated from the
8 General Fund to the Vermont Small Business Development Center as follows:

9 (1) the amount of \$250,000.00 for the purpose of increasing the number
10 of business advisors throughout the State; and

11 (2) the amount of \$100,000.00 for the purpose of fully funding the
12 SBDC technology commercialization advisor position.

13 Sec. I.2. MICROBUSINESS DEVELOPMENT PROGRAM; FINDINGS;

14 APPROPRIATION

15 (a) Findings. The General Assembly finds:

16 (1) Since 1989, the Microbusiness Development Program has provided
17 free business technical assistance, including training and counseling, as well as
18 access to capital to Vermonters with low income.

19 (2) The Vermont Community Action Agencies work in conjunction with
20 many partners, including other service providers, State agencies, business
21 technical assistance providers, and both traditional and alternative lenders.

1 (3) Each year the Program:

2 (A) enables the creation or expansion of an average of 145 businesses
3 across Vermont;

4 (B) supports the creation of 84 new jobs; and

5 (C) provides access to more than \$1.1 million in capital.

6 (4) The average cost per job created through the Program is less than
7 \$3,600.00.

8 (b) Intent. Current base funding for the Program is \$300,000.00, and it is
9 the intent of the General Assembly to provide total funding for the Program in
10 fiscal year 2018 of \$450,000.00.

11 (c) Appropriation. In fiscal year 2018, in addition to any other amounts
12 appropriated, the amount of \$150,000.00 is appropriated from the General
13 Fund to the Office of Economic Opportunity for pass through grants to the
14 Community Action Agencies to restore and increase funding for the regional
15 Microbusiness Development Programs pursuant to 3 V.S.A. § 3722.

16 Sec. I.3. ECONOMIC DEVELOPMENT MARKETING

17 (a) In fiscal year 2018 the amount of \$250,000 is appropriated from the
18 general fund to the Agency of Commerce and Community Development to:

19 (1) implement the Department of Economic Development’s economic
20 development marketing plan to attract and retain residents and businesses to

1 Vermont, highlighting the many positive features that make Vermont a great
2 place to live, work, and do business; and

3 (2) prioritize marketing tactics with the potential to shift most efficiently
4 and effectively perceptions about Vermont as a place to live and
5 work, and that will form a set of marketing assets and strategic
6 framework to sustain Department of Economic Development activities beyond
7 initial implementation.

8 (c) The funds appropriated in this section may be matched with federal
9 funds, special funds, grants, donations, and private funds. To increase the
10 amount and effectiveness of marketing activities conducted, the Agency shall
11 collaborate with private sector partners to maximize State marketing resources
12 and to enable Vermont businesses to align their own brand identities with the
13 Vermont brand, enhancing the reputations of both the business and the State.

14 (d) The Secretary of Commerce and Community Development shall
15 establish performance measures that support strategic priorities, including
16 strengthening the State economy, before disbursing these funds.

17 * * * Sales and Use Tax * * *

18 * * * Airplane and Manufacturers' Exemption * * *

19 Sec. J.1. REPEALS

20 The following are repealed:

1 (1) 2007 Acts and Resolve No. 81, Secs. 7a (amendment to sales tax
2 exemption for aircraft parts) and 7b (effective date).

3 (2) 2008 Acts and Resolve No. 190, Sec. 43 (effective date).

4 * * *Sales tax holiday for energy efficient products * * *

5 Sec. J.2. SALES AND USE TAX HOLIDAY

6 (a) Notwithstanding the provisions of 32 V.S.A. § 9771 and 24 V.S.A.
7 § 138, a sales and use tax or local option sales tax shall not be imposed or
8 collected on sales of energy star qualified products on August 25, 26, and 27,
9 2017.

10 (b) Notwithstanding any contrary provision of Title 30 or of a rule or order
11 of the Public Service Board, the amount of the revenues foregone by the sales
12 and use tax holiday set forth this section shall be reimbursed by monies raised
13 pursuant to Title 30 to support the activities of each appointed efficiency utility
14 under 30 V.S.A. § 209(d)(2).

15 (1) Thirty-five percent of the reimbursement amount shall be deposited
16 into the Education Fund and sixty-five percent of the reimbursement amount
17 shall be deposited into the General Fund.

18 (2) Payment of the reimbursement amount shall be prorated among the
19 appointed efficiency utilities based on relative percentage of an overall
20 efficiency budget based on the sum of their expected efficiency expenditures
21 during the sales and use tax holiday. The obligation of an efficiency utility to

1 pay its prorated share of the reimbursement amount shall be considered a tax
2 liability under Title 32.

3 * * * Tax Holiday for Hybrids and Electric Vehicles * * *

4 Sec. J.3. PURCHASE AND USE TAX HOLIDAY FOR HYBRIDS AND
5 ELECTRIC VEHICLES

6 (a) As used in this section:

7 (1) “Dealer” means a dealer as defined in 23 V.S.A. § 4.

8 (2) “Electric Efficiency Fund” means the Fund established in 30 V.S.A.
9 § 209(d)(3).

10 (3) “Electric vehicle” means electric-powered pleasure cars, as defined
11 in 23 V.S.A. § 4, to include gas/electric hybrids, diesel/electric hybrids, and all
12 electric vehicles.

13 (4) “Energy efficiency utility” means an energy efficiency utility
14 appointed under 30 V.S.A. § 209(d).

15 (5) “Tax holiday” means the period from September 1, 2017 to
16 September 17, 2017.

17 (b) Notwithstanding 32 V.S.A. § 8903, electric vehicles shall be exempt
18 from the purchase and use tax if the vehicle was purchased during the tax
19 holiday.

20 (c) Each dealer shall report the taxable cost of each electric vehicle sold
21 during the tax holiday to the Department of Motor Vehicles.

1 (d) On or before October 31, 2017, the Department of Motor Vehicles shall
2 calculate the forgone tax of six percent and provide that figure to the
3 Departments of Finance and Management and of Public Service.

4 (e) Notwithstanding any contrary provision of 30 V.S.A. § 209(d), on or
5 before November 30, 2017, the Department of Finance and Management shall
6 transfer the amount of the forgone tax revenue from the Electric Efficiency
7 Fund to the Department of Motor Vehicles such that the State is made whole
8 from the loss of tax revenue during the tax holiday.

9 (f) Notwithstanding any contrary provision of 30 V.S.A. § 209(d), on or
10 before November 30, 2017, the Department of Public Service shall calculate
11 the pro rata share of forgone tax revenue billed to each energy efficiency utility
12 using a percentage share of annual total kWh and ccf usage, converted to Btus,
13 within each energy efficiency utility’s service territory; account for this
14 amount in the Electric Efficiency Fund; and inform each energy efficiency
15 utility of this amount.

16 (g) This section shall be implemented in a manner that does not affect the
17 delivery by an energy efficiency utility of incentives under any program as
18 approved prior to the section’s effective date.

19 (h) On or before August 1, 2017, Commissioner of Motor Vehicles shall
20 adopt any guidance necessary to dealers to carry out the tax holiday.

21 Sec. K.1. EFFECTIVE DATE

1 This act shall take effect on July 1, 2017.