

1 TO THE HONORABLE SENATE:

2 The Committee on Economic Development, Housing and General Affairs to
3 which was referred Senate Bill No. 94 entitled “An act relating to promoting
4 remote work and flexible work arrangements” respectfully reports that it has
5 considered the same and recommends that the bill be amended by striking out
6 all and inserting in lieu thereof the following:

7 Sec. 1. 32 V.S.A. chapter 151, subchapter 11P is added to read:

8 Subchapter 11P: New Remote Worker Tax Credit

9 § 5930PP. NEW REMOTE WORKER TAX CREDIT

10 (a) As used in this section “new remote worker” means an individual who:

11 (1) is a full-time employee of a business with its domicile or primary
12 place of business outside Vermont;

13 (2) becomes a full-time resident of this State on or after January 1, 2019;

14 and

15 (3) performs the majority of his or her employment duties remotely from
16 a home office or a co-working space located in this State.

17 (b) A new remote worker shall be eligible for a nonrefundable credit
18 against the income tax liability imposed under this chapter in the total amount
19 of \$10,000, taken in installments of \$2,000 per year for five years.

20 (c) A new remote worker may:

1 (1) claim the first installment in the tax year following the year in which
2 he or she becomes a resident of this State;

3 (2) claim an additional installment in each of the subsequent four tax
4 years, provided he or she remains a resident of this State and a full-time remote
5 worker; and

6 (3) carry forward the amount of any unused installment for five tax
7 years.

8 (d) The Agency of Commerce and Community Development shall:

9 (1) promote awareness of the new remote worker tax credit authorized in
10 this section;

11 (2) establish procedures for certifying a remote worker’s compliance
12 with the eligibility requirements to claim an installment of the credit authorized
13 in this section; and

14 (3) adopt measurable goals, performance measures that demonstrate
15 results, and an audit strategy to assess the utilization and performance of the
16 credit authorized in this section.

17 Sec. 2. IMPROVING INFRASTRUCTURE AND SUPPORT FOR REMOTE
18 WORK IN VERMONT; STUDY; REPORT

19 (a) The Secretary of Commerce and Community Development, in
20 consultation with the Commissioners of Labor, of Public Service, and of
21 Buildings and General Services, and other interested stakeholders, shall

1 identify and examine the infrastructure improvements and other support
2 needed to enhance the ability of businesses to establish a remote presence in
3 Vermont and to allow Vermonters and businesses developing from generator
4 spaces to work and provide services remotely.

5 (b) Based on his or her findings, and in consultation with the
6 Commissioners of Labor, of Public Service, and of Buildings and General
7 Services, and other interested stakeholders, the Secretary shall develop a
8 program to address the needs identified pursuant to subsection (a) of this
9 section.

10 (c) Specifically, the program shall:

11 (1) address the infrastructure needs of remote workers and businesses
12 developing from generator spaces;

13 (2) promote and facilitate the use of remote worksites and generator
14 spaces;

15 (3) encourage out-of-state companies to use remote workers in Vermont;

16 (4) reduce the administrative and regulatory burden on businesses
17 employing remote workers in Vermont; and

18 (5) increase the ease of start-up companies finding remote work or
19 generator spaces in the State.

20 (d) On or before January 15, 2019, the Secretary shall submit a written
21 report detailing his or her findings, plan, and any recommendations for

1 legislative action to implement the plan to the House Committee on Commerce
2 and Economic Development and the Senate Committee on Economic
3 Development, Housing and General Affairs.

4 Sec. 3. INTEGRATED PUBLIC-PRIVATE STATE WORKSITES

5 (a) The Secretary of Administration, in consultation with the Secretary of
6 Commerce and Community Development and the Commissioner of Buildings
7 and General Services, shall examine the potential for the State to establish
8 remote worksites that are available for use by both State employees and remote
9 workers in the private sector.

10 (b) The Secretary shall examine the feasibility of and potential funding
11 models for the worksites.

12 (c) On or before January 15, 2019, the Secretary shall submit a written
13 report to the House Committee on Commerce and Economic Development and
14 the Senate Committee on Economic Development, Housing and General
15 Affairs detailing his or her findings and any recommendations for legislative
16 action.

17 Sec. 4. RURAL WORKFORCE BROADBAND PROGRAM

18 (a) The Secretary of Commerce and Community Development, in
19 consultation with the Director for Telecommunications and Connectivity, shall
20 develop a rural workforce broadband program.

1 (b) The purpose of the program shall be to encourage the deployment of
2 broadband Internet access in rural, high-cost areas of the State to promote
3 economic development.

4 (c) Specifically, the program shall:

5 (1) provide time-limited financial assistance to remote workers for
6 access to digital devices, broadband Internet connections, and local content and
7 services, such as business software and applications;

8 (2) be funded through Vermont’s Universal Service Fund;

9 (3) to the greatest extent possible and for the purpose of finding least-
10 cost alternatives, encourage connections with existing fiber optic networks,
11 such as the network owned by the Vermont Electric Power Co., Inc. (VELCO);

12 (4) ensure that funding under the program is used only to support
13 Internet service capable of upload and download speeds necessary to
14 adequately support a remote workforce;

15 (5) reflect eligibility criteria that ensure funds are used in a manner that
16 will achieve the greatest economic benefit in Vermont communities that
17 currently do not have universal access to broadband Internet service; and

18 (6) include any other standards or criteria necessary to achieve the
19 purpose of the program.

1 (b) On or before December 1, 2018, the program developed pursuant to this
2 section shall be submitted to the General Assembly jointly by the Secretary
3 and the Director in the form of draft legislation.

4 Sec. 5. EFFECTIVE DATE

5 This act shall take effect on July 1, 2018.

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8 (Committee vote: _____)

9

10

Senator _____

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FOR THE COMMITTEE