

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:

11 (1) “New remote worker” means an individual who:

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

14 (B) becomes a full-time resident of this State on or after January 1,
15 2019; and

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

18 (2) “Qualifying remote worker expenses” means a new remote worker’s
19 actual costs incurred for one or more of the following that are necessary to
20 perform his or her employment duties:

21 (A) relocation to this State;

1 (B) computer software and hardware;

2 (C) broadband access or upgrade;

3 (D) membership in a co-working or similar space;

4 (E) childcare;

5 (F) [student loan repayment?]

6 (b)(1) A new remote worker shall be eligible for a nonrefundable credit
7 against the income tax liability imposed under this chapter for qualifying
8 remote worker expenses in the amount of not more than \$2,000 per year for up
9 to five years, not to exceed \$10,000 per new remote worker.

10 (2) The total cost of all credits awarded under this section shall not
11 exceed \$1,000,000.00.

12 (3)(A) The Agency of Commerce and Community Development shall
13 develop a process to certify up to 500 new remote workers for eligibility for a
14 credit under this section.

15 (B) Upon certifying that a new remote worker meets the eligibility
16 requirements of this section and his or her qualifying expenses for a tax year,
17 the Agency shall issue to the new remote worker a credit certificate for the
18 amount of his her qualifying expenses, which the new remote worker shall file
19 with his or her tax return.

20 (c) A new remote worker may:

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

3 (2) claim an additional credit in each of the subsequent four tax years,
4 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 credit for five tax years.

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

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

10 (2) adopt measurable goals, performance measures that demonstrate
11 results, and an audit strategy to assess the utilization and performance of the
12 credit authorized in this section.

13 Sec. 2. IMPROVING INFRASTRUCTURE AND SUPPORT FOR REMOTE
14 WORK IN VERMONT; STUDY; REPORT

15 (a) The Secretary of Commerce and Community Development, in
16 consultation with the Commissioners of Labor, of Public Service, and of
17 Buildings and General Services, and other interested stakeholders, shall
18 identify and examine the infrastructure improvements and other support
19 needed to enhance the ability of businesses to establish a remote presence in
20 Vermont and to allow Vermonters and businesses developing from generator

1 spaces maker spaces, co-working spaces, remote work hubs, and innovation
2 spaces to work and provide services remotely.

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

8 (c) Specifically, the program shall:

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

11 (2) promote and facilitate the use of remote worksites and generator
12 spaces maker spaces, co-working spaces, remote work hubs, and innovation
13 spaces;

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

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

17 (5) increase the ease of start-up companies finding remote work or
18 generator spaces maker spaces, co-working spaces, remote work hubs, and
19 innovation spaces in the State; and

20 (6) support the interconnection of current and future maker spaces, co-
21 working spaces, remote work hubs, and innovation spaces in this State.

1 (d) On or before January 15, 2019, the Secretary shall submit a written
2 report detailing his or her findings, plan, and any recommendations for
3 legislative action to implement the plan to the House Committee on Commerce
4 and Economic Development and the Senate Committee on Economic
5 Development, Housing and General Affairs.

6 Sec. 3. INTEGRATED PUBLIC-PRIVATE STATE WORKSITES

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

12 (b) The Secretary shall examine the feasibility of and potential funding
13 models for the worksites, including the opportunity to provide at low or no cost
14 co-work space within State buildings that is currently vacant or underutilized.

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

20 Sec. 4. BROADBAND AVAILABILITY MAP

1 The Secretary of Commerce and Community Development, in partnership
2 with the Director for Telecommunications and Connectivity and industry
3 stakeholders, shall develop and make available to remote workers, small
4 businesses, and the public a broadband availability map of the State that:
5 (1) identifies the location of co-work spaces; and
6 (2) indicates by geographic region broadband availability, currently
7 available speeds, and capability and costs for upgrade.

8 Sec. 5. EFFECTIVE DATE

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

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12 (Committee vote: _____)

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Senator _____

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FOR THE COMMITTEE