

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 after the enacting clause 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) child care; and

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 \$2,000.00 per year for
9 up to five years, not to exceed \$10,000.00 per new remote worker.

10 (2)(A) The Agency of Commerce and Community Development shall
11 develop a process to certify new remote workers for eligibility for a credit
12 under this section.

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

18 (3) The Agency shall annually award credit certificates on a first-come,
19 first-served basis, up to \$1,000,000.00 in total credits per year.

1 (c) A new remote worker may:

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

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

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

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

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

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

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

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

1 spaces, co-working spaces, remote work hubs, and innovation spaces to work
2 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 maker spaces,
12 co-working spaces, remote work hubs, and innovation spaces;

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

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

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

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

1 (d) On or before January 15, 2019, the Secretary shall submit to the House
2 Committee on Commerce and Economic Development and the Senate
3 Committee on Economic Development, Housing and General Affairs a written
4 report detailing:

5 (1) his or her findings, plan, and any recommendations for legislative
6 action to implement the plan; and

7 (2) policy changes to improve the climate for remote workers, including
8 zoning measures, insurance and liability issues, workforce training needs,
9 broadband access, access to co-working spaces, and an assessment of
10 environmental implications of working remotely.

11 Sec. 3. INTEGRATED PUBLIC-PRIVATE STATE WORKSITES

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

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

20 (c) On or before January 15, 2019, the Secretary shall submit a written
21 report to the House Committee on Commerce and Economic Development and

1 the Senate Committee on Economic Development, Housing and General
2 Affairs detailing his or her findings and any recommendations for legislative
3 action.

4 Sec. 4. BROADBAND AVAILABILITY FOR REMOTE WORKERS

5 On or before January 15, 2019, the Director of Telecommunications and
6 Connectivity, in consultation with the Agency of Commerce and Community
7 Development, shall submit with the annual report required by 30 V.S.A.
8 § 202e findings and recommendations concerning:

9 (1) the current availability of broadband service in municipal downtown
10 centers that do, or could at reasonable cost, support one or more co-working
11 spaces or similar venues for remote workers and small businesses; and

12 (2) strategies for expanding and enhancing broadband availability for
13 such spaces.

14 Sec. 5. EFFECTIVE DATE

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

16 and that after passage the title of the bill be amended to read: “An act relating
17 to remote work”

18 (Committee vote: _____)

19 _____

20 Senator _____

21 FOR THE COMMITTEE