

1 Introduced by House Committee on Commerce and Economic Development  
2 Referred to Committee on  
3 Date:  
4 Subject: Commerce and trade; economic development  
5 Statement of purpose of bill as introduced: This bill proposes to provide  
6 additional CARES Act relief to Vermont businesses and individuals who have  
7 suffered harm due to the COVID-19 public health emergency.

8 An act relating to providing additional COVID-19 relief

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

10 Sec. 1. 2020 Acts and Resolves No. 115, Sec. 1 is amended to read:

11 Sec. 1. DEFINITIONS

12 As used in this act:

13 (1) “CARES Act” means the Coronavirus Aid, Relief, and Economic  
14 Security Act, Pub. L. No. 116–136, as amended, and any guidance and  
15 regulations issued under that act.

16 (2) “Eligible business” means:

17 (A) The business is a nonpublic, private organization that:

18 ~~(i) is domiciled or has its primary place of business in Vermont;~~

19 ~~and~~

1                   ~~(ii) has one or more employees in Vermont.~~

2                   (B) The business is:

3                   (i) organized and operated on a for-profit basis, including a sole  
4 proprietor, partnership, limited liability company, business corporation,  
5 cooperative, or mutual benefit enterprise; or

6                   (ii) organized and operated on a nonprofit or low-profit basis,  
7 including a mutual benefit corporation, public benefit corporation, and a low-  
8 profit limited liability company.

9                   (C) The business was in operation on or before ~~February 15~~ March 1,  
10 2020.

11                  (D) The business:

12                  (i) is open for business at the time of application; or

13                  (ii) is closed for business due to the COVID-19 public health  
14 emergency but has a good-faith plan for reopening.

15                  (3) “Eligible use” means a use of grant funds permitted under the  
16 CARES Act to assist a business in addressing the costs of business interruption  
17 due to the COVID-19 public health emergency.

18                  Sec. 2. 2020 Acts and Resolves No. 115, Sec. 3 is amended to read:

19                  Sec. 3. CORONAVIRUS EMERGENCY ECONOMIC RECOVERY

20                                 GRANTS; AGENCY OF COMMERCE AND COMMUNITY

21                                 DEVELOPMENT

1 (a) Authorization; appropriation.

2 (1) Of the funds available in the Coronavirus Relief Fund, the amount of  
3 ~~\$20,000,000.00~~ ~~\$73,000,000.00~~ is appropriated to the Agency of Commerce  
4 and Community Development to provide grants to eligible businesses pursuant  
5 to this section in coordination with the Department of Taxes.

6 (2) The Agency may determine the most effective and fair distribution  
7 of funds among the following areas:

8 (A) supplemental Emergency Economic Recovery Grants to lodging,  
9 dining, and entertainment businesses pursuant to this section, provided that the  
10 businesses demonstrate additional need and additional losses;

11 (B) new businesses, non-profit businesses, and businesses with more  
12 than 30-percent loss as defined in this section;

13 (C) businesses applying through the Vermont Sole Proprietor  
14 Stabilization Program; and

15 (D) Vermont ski areas to make necessary COVID-19 related  
16 improvements at ski areas to allow them to welcome skiers safely back to their  
17 businesses.

18 (3) The Agency shall identify local, regional, and State economic  
19 development organizations with whom it may partner to most efficiently  
20 distribute grants under the Program, which may include the Vermont

1 Economic Development Authority, regional development corporations,  
2 community action agencies, and private institutions.

3 (b) Requirements for grant applicants. An eligible business may apply for  
4 a grant for an eligible use:

5 (1) if the business experienced a ~~75~~ 30 percent or greater reduction in  
6 revenue in any ~~one-month~~ three-month period from March 1, 2020 to  
7 September 1, 2020 as compared to the same one-month period from March 1,  
8 2019 to September 1, 2019; or

9 (2) if the business was established from September 1, 2019 to March 1,  
10 2020, the business experienced a 30 percent or greater reduction in revenue in  
11 any one-month period from February 1, 2020 to September 1, 2020.

12 (c) Grant amount; terms.

13 (1) The Agency shall establish a formula for determining the amount of  
14 grant awards, which shall include a maximum grant amount.

15 (2) The Agency shall consider whether and by how much grant awards  
16 should be adjusted based on whether an applicant has received financial  
17 assistance from other sources.

18 Sec. 3. 2020 Acts and Resolves No. 115, Sec. 4 is amended to read:

19 Sec. 4. GUIDELINES; REPORTING

20 (a) Guidelines. Not later than ten days after the effective date of this act,  
21 the Department of Taxes and the Agency of Commerce and Community

1 Development shall publish guidelines governing the implementation of their  
2 respective programs, which at minimum shall:

3 (1) establish application and award procedures;

4 (2) establish standards to determine whether a business has its primary  
5 place of business in Vermont;

6 (3) establish standards for eligible uses of grant funds;

7 (4) establish standards governing the amount of grant awards:

8 (A) to ensure the equitable distribution of funds among regions and  
9 among business types, sizes, and sectors; and

10 (B) to ensure that grants are based on need and will have a  
11 meaningful impact on the business's continued viability;

12 (5) establish procedures to ensure that grant awards comply with the  
13 requirements of the CARES Act and that the State maintains adequate records  
14 to demonstrate compliance with the Act;

15 (6) establish procedures to prevent, detect, and mitigate fraud, waste,  
16 error, and abuse; and

17 (7) establish procedures to ensure that grant applicants are in  
18 compliance with State and federal employment and labor laws.

19 (b) Reporting. The Agency and Department shall:

20 (1) provide weekly updates and information concerning grant  
21 guidelines, awards, and implementation to the committees of jurisdiction of the

1 General Assembly, including the distribution of funds among the four  
2 approved areas specified in Sec. 3(a)(2) of this act; and

3 (2) submit a report to the General Assembly on or before August  
4 November 15, 2020 detailing the implementation of this section, including  
5 specific information concerning the amount and identity of grant recipients,  
6 which shall be publicly available.

7 (c) In the event the federal Department of the Treasury determines that an  
8 expenditure of funds made available from the CARES Act was not necessary  
9 or otherwise impermissible under the Act, the Agency and the Department  
10 shall hold harmless any grant recipient that accepted grant funds in good faith  
11 reliance on the State concerning the business's eligibility for, or use of, the  
12 grant award.

13 Sec. 4. 2020 Acts and Resolves No. 137, Sec. 6 is amended to read:

14 Sec. 6. COVID-19; ECONOMIC SUPPORT FOR BUSINESSES AND  
15 INDIVIDUALS

16 (a) Appropriations; grants. The following amounts are appropriated from  
17 the Coronavirus Relief Fund to the named recipients to provide grants to  
18 businesses that have suffered economic harm due to the COVID-19 public  
19 health emergency and economic crisis.

20 (1) \$82,000,000.00 for additional emergency economic recovery grants  
21 pursuant to 2020 Acts and Resolves No. 115 (S.350), Secs. 2–3, as follows:

1 (A) \$56,000,000.00 to the Agency of Commerce and Community  
2 Development.

3 (B) \$26,000,000.00 to the Department of Taxes.

4 \* \* \*

5 (5) \$5,000,000.00 to the Agency of Commerce and Community  
6 Development to grant to the Vermont Arts Council for grants to nonprofit arts  
7 and cultural organizations. For purposes of calculating reduction in revenue  
8 under this subdivision, “revenue” does not include tax-deductible charitable  
9 contributions.

10 \* \* \*

11 (c) Eligibility. To be eligible for a grant under subsection (a) or (b) of this  
12 section, a business must meet the eligibility criteria and comply with the  
13 guidelines adopted pursuant to 2020 Acts and Resolves No. 115 (S.350) unless  
14 otherwise provided in this section, ~~except that a business must demonstrate that~~  
15 ~~it suffered a 50 percent or greater reduction in revenue due to the COVID-19~~  
16 ~~public health emergency and economic crisis in a monthly or quarterly period~~  
17 ~~from March 1, 2020 to September 1, 2020 as compared to the same period in~~  
18 ~~2019.~~

19 (d) Administration of funds. A recipient or subrecipient authorized to  
20 administer funds appropriated in this section to provide grants or assistance to  
21 eligible businesses:

1 (1) shall coordinate directly with, and is subject to the guidelines and  
2 procedures adopted by, the Agency of Commerce and Community  
3 Development to ensure consistency and to avoid duplication of efforts and  
4 awards among Coronavirus Relief Fund-related programs;

5 (2) may use funds for administrative expenses, provided that the  
6 expenses represent an increase over previously budgeted amounts and are  
7 limited to what is necessary; and

8 (3) shall transfer any grant funds appropriated under subsection (a) of  
9 this section that remain unencumbered as of November 15, 2020 to the Agency  
10 of Commerce and Community Development, which the Agency shall use to  
11 make additional emergency economic recovery grants pursuant to this section.

12 (e) Prohibition on multiple sources of funding.

13 (1) **A business may not receive a grant of Coronavirus Relief Fund**  
14 **monies from more than one source,** except that a business in the dairy sector  
15 may apply for a grant under subdivision (a)(2)(B) of this section, provided that  
16 the award is not for the same purpose covered under other assistance from the  
17 Fund.

18 (2) The Agency of Commerce and Community Development, the  
19 Department of Taxes, and entities that administer funds appropriated pursuant  
20 to this section shall provide businesses with guidance and support to help



1 identify the appropriate programs for which the business may be eligible for a  
2 grant and other assistance.

3 (f) Public records; confidentiality.

4 (1) The name of a business that receives an award under this section and  
5 the amount of the award are public records subject to inspection and copying  
6 under the Public Records Act.

7 (2) Any application documents of a business containing federal  
8 identification numbers and sales amounts are subject to the confidentiality  
9 provisions of 32 V.S.A. § 3102 and are return information under that section.

10 (3) Data submitted by a business under this section to demonstrate costs  
11 or expenses shall be a trade secret exempt from public inspection and copying  
12 under 1 V.S.A. § 317(c)(9), provided that submitted information may be used  
13 and disclosed in summary or aggregated form that does not directly or  
14 indirectly identify a business.

15 (g) Emergency economic recovery grant funds; transfer. If any funds  
16 appropriated to Agency of Commerce and Community Development and the  
17 Department of Taxes in 2020 Acts and Resolves No. 115 (S.350) remain both  
18 unencumbered and unspent as of August 1, 2020, the Agency and Department  
19 shall combine and administer those funds with the amounts made available to  
20 them in this section, subject to the standards and criteria established in this  
21 section.

1 **Sec. 5. BUY LOCAL CONSUMER STIMULUS; MARKETING**

2 (a) The amount of \$60,000,000.00 is appropriated from the Coronavirus  
3 Relief Fund to the Department of Tourism and Marketing for the Restart  
4 Vermont Marketing Program to encourage visitation, relocation, and consumer  
5 spending in Vermont to support businesses that have suffered economic harm  
6 due to the COVID-19 public health emergency.

7 (b) Eligible uses for the funds appropriated in this section include:

8 (1) \$50,000,000 for a statewide consumer stimulus program with direct  
9 incentives to maximize the consumer spending power of Vermonters, to  
10 support restaurants, retail stores, lodging establishments, tourism and cultural  
11 attractions, and other businesses suffering economic harm due to continued  
12 capacity and travel restrictions imposed in response to COVID-19.

13 (2) \$10,000,000 for marketing activities that promote:

14 (A) travel to and within Vermont to increase consumer spending at  
15 tourism, hospitality, retail, and related businesses;

16 (B) purchase of locally-made products to support Vermont producers;  
17 and

18 (C) Vermont as an ideal place to relocate in the wake of the COVID-  
19 19 pandemic to bring new residents and businesses to the state to provide  
20 additional economic activity in Vermont communities to support businesses  
21 impacted by the COVID-19 public health emergency.

1 Sec. 6. EFFECTIVE DATE

2 This act shall take effect on passage.