Introduced by House Committee on Commerce and Economic Development

Refereed to Committee on

Date:

Subject: Commerce and trade; economic development

Statement of purpose of bill as introduced: This bill proposes to provide additional CARES Act relief to Vermont businesses that have suffered economic harm due to the COVID-19 public health emergency.

An act relating to providing additional COVID-19 relief

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

Sec. 1. COVID-19; ADDITIONAL ECONOMIC SUPPORT FOR BUSINESSES

(a) Appropriation. The amount of $73,000,000.00 is appropriated from the Coronavirus Relief Fund to the Agency of Commerce and Community Development to provide grants pursuant to this section to businesses that have suffered economic harm due to the COVID-19 public health emergency and economic crisis.

(b) Eligible businesses. The Agency may award grants to businesses in the following categories:
(1) Modified emergency economic recovery grants to businesses that meet the following criteria:

(A) The business is a private, for-profit or nonprofit organization that is domiciled or has its primary place of business in Vermont.

(B) The business is either open at the time of application or is closed due to the COVID-19 public health emergency but has a good-faith plan for reopening.

(C) The business:

   (i) experienced a 30 percent or greater reduction in revenue in any three-month period due to the COVID-19 public health emergency from March 1, 2020 to December 1, 2020 as compared to the same three-month period from March 1, 2019 to December 1, 2019; or

   (ii) experienced a 30 percent or greater reduction in monthly revenue between any two consecutive months, beginning February 1, 2020, due to the COVID-19 public health emergency.

(2) Supplemental grants to lodging, dining, and entertainment businesses that demonstrate ongoing need from additional losses that have not been adequately addressed by an emergency economic recovery grant awarded pursuant to 2020 Acts and Resolves No. 137 (H.966) or No. 115 (S.350).

(3) Grants to Vermont ski areas for necessary COVID-19-related improvements to allow them to welcome skiers safely back to their businesses.
(b) Grant amounts; terms.

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

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

(c) Guidelines; administration.

(1) The Agency shall adopt and publish guidelines governing the
implementation of this section and may coordinate with local, regional, and
State economic development partners to administer grants pursuant to this
section.

(2) The administration and award of CRF funds pursuant to this section
are subject to the provisions of 2020 Acts and Resolves No. 137 (H.966), Secs.
3–5 (grant requirements; conditions; recordkeeping) and Sec. 6(d)–(f)
(administration; public records).

(d) Unencumbered grant funds; transfer. The Agency shall combine and
administer pursuant to this section any funds in its possession pursuant to 2020
Acts and Resolves No. 137 (H.966), Sec. 6 that remain unencumbered.

Sec. 2. BUY LOCAL CONSUMER STIMULUS; MARKETING

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

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

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

2. $10,000,000 for marketing activities that promote:

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

   B) purchase of locally-made products to support Vermont producers;

   and

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

Sec. 3.  2020 Acts and Resolves No. 137, Sec. 6 is amended to read:

Sec. 6.  COVID-19; ECONOMIC SUPPORT FOR BUSINESSES AND INDIVIDUALS
(a) Appropriations; grants. The following amounts are appropriated from the Coronavirus Relief Fund to the named recipients to provide grants to businesses that have suffered economic harm due to the COVID-19 public health emergency and economic crisis.

* * *

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

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

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

(2) may use funds for administrative expenses, provided that the expenses represent an increase over previously budgeted amounts and are limited to what is necessary; and
(3) shall transfer any grant funds appropriated under subsection (a) of this section that remain unencumbered as of November 15, 2020 to the Agency of Commerce and Community Development, which the Agency shall use to make additional emergency economic recovery grants pursuant to this section.

(e) Prohibition on multiple sources of funding.

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

(2) The Agency of Commerce and Community Development, the Department of Taxes, and entities that administer funds appropriated pursuant to this section shall provide businesses with guidance and support to help identify the appropriate programs for which the business may be eligible for a grant and other assistance.

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Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.