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HOUSE COMMITTEE ON COMMERCE
AND ECONOMIC DEVELOPMENT

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SUPPLEMENTAL MEMORANDUM

To: Rep. Kitty Toll, Chair, House Committee on Appropriations

From: Rep. Michael Marcotte, Chair, House Committee on Commerce and Economic Development

Date: February 28, 2019

Subject: Additional Recommendations for FY 2020 State Budget

This memorandum supplements the recommendations that the Committee on Commerce and Economic Development offered in its prior memorandum concerning the administration's proposed FY 2020 State budget.

(1) Workforce Development and Economic Development (\$2,500,000) – High Priority

In Sec. B.1101(c) the administration proposes a one-time FY 2020 appropriation of \$2,000,000 to the Agency of Commerce and Community Development to fund its relocation and recruitment initiative. In Sec. B.1101(d) the administration proposes a one-time FY 2020 appropriation of \$500,000 to the Department of Labor to fund its relocation support system, "Reloc802."

The Committee ranks investments in workforce development and economic development as a high priority and recommends that this \$2,500,000 be appropriated as follows:

- \$500,000 to the Agency of Commerce and Community Development for economic development marketing and targeted digital media marketing to promote new worker recruitment and relocation.
- \$500,000 to the Department of Labor for its "Reloc802" relocation support system.
- \$500,000 to the Working Lands Enterprise Board for grants.
- \$1,000,000 to the Department of Labor to provide funding to expand opportunities for apprenticeships, training, and adult career and technical education, which may include funding to replicate the Rutland CCV robotics program in additional locations.

(2) Microbusiness Development Program (\$100,000) – High Priority

The Committee ranks investment in the microbusiness development program as a high priority and supports an increase of \$100,000 in base funding to the Office of Economic Opportunity for pass-through grants to the Community Action Agencies to provide funding for the regional microbusiness development program pursuant to 3 V.S.A. § 3722. The Committee recommends that the Office seek ensure to the greatest extent possible that the programs are funded equitably and operated consistently across regions of the State.

Additionally, of any one-time monies available in FY 2020, the Committee recommends that the microbusiness development program be given priority for an additional \$100,000.

(3) Vermont Housing & Conservation Board; Grant Writing (\$75,000) – High Priority

The Committee ranks investment in rural economic development as a high priority and supports an increase of \$75,000 in based funding to the Vermont Housing and Conservation Board to provide ongoing grant writing assistance under the Farm and Forest Viability Program.

(4) Housing; Rehabilitation; Downtown Development (1,200,000) – High Priority

The Committee ranks investments in affordable housing and downtown development as a high priority.

The Committee supports \$1,000,000 to the Agency of Commerce and Community Development to design and implement the administration's proposed Rental Housing Rehabilitation Incentive Program. The Committee notes that the parameters of this program are being developed in legislation in other committees of jurisdiction. The Committee recommends that the rehabilitation funds be targeted in labor market areas with higher than average unemployment or lower than average wages.

The Committee also supports the administration's proposed \$200,000 increase in the annual cap for the Vermont Downtown and Village Center Tax Credit Program created in 32 V.S.A. chapter 151, subchapter 11J.