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S.256

Introduced by Senators Sirotkin, Brock and Clarkson

Referred to Committee on

Date:

Subject: Commerce and trade; workforce development

Statement of purpose of bill as introduced: This bill proposes to create a permanent New Vermont Employee Incentive Program to attract new workers to the State.

An act relating to creating the New Vermont Employee Incentive Program

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

Sec. 1. 10 V.S.A. chapter 1 is amended to read:

CHAPTER 1. ECONOMIC DEVELOPMENT

* * *

§ 4. NEW VERMONT EMPLOYEE INCENTIVE PROGRAM

(a) The Agency of Commerce and Community Development shall design and implement a New Vermont Employee Incentive Program to award incentive grants to qualifying new employees as provided in this section and subject to the policies and procedures the Agency adopts to implement the Program.

1 (b) Incentives. A qualifying new employee may be eligible for a grant
2 under the Program for qualifying expenses, subject to the following:

3 (1) A base grant shall not exceed \$5,000.00.

4 (2) The Agency may award an enhanced grant, which shall not exceed
5 \$7,500.00, for a qualifying new employee who becomes a resident in a labor
6 market area in this State in which:

7 (A) the average annual unemployment rate in the labor market area
8 exceeds the average annual unemployment rate in the State; or

9 (B) the average annual wage in the State exceeds the annual average
10 wage in the labor market area.

11 (c) The Agency shall:

12 (1) adopt procedures for implementing the Program, which shall include
13 a simple certification process to certify qualifying new employees and
14 qualifying expenses;

15 (2) promote awareness of the Program, including through coordination
16 with relevant trade groups and by integration into the Agency's economic
17 development marketing campaigns;

18 (3) award grants to qualifying new employees on a first-come, first-
19 served basis beginning on January 1, 2021, subject to available funding; and

20 (4) adopt measurable goals, performance measures, and an audit strategy
21 to assess the utilization and performance of the Program.

1 (d) Annually, on or before December 15, the Agency shall submit a report
2 to the House Committee on Commerce and Economic Development and the
3 Senate Committee on Economic Development, Housing and General Affairs
4 concerning the implementation of this section, including:

5 (1) a description of the policies and procedures adopted to implement
6 the Program;

7 (2) the promotion and marketing of the Program; and

8 (3) an analysis of the utilization and performance of the Program.

9 (e) As used in this section:

10 (1) “New relocating worker” means an individual who on or after
11 January 1, 2021:

12 (A) becomes a full-time resident of this State;

13 (B) becomes a full-time employee of a business domiciled or
14 authorized to do business in this State;

15 (C)(i) is employed in an occupation identified by the Department of
16 Labor in its 2016–2026 Long Term Occupational Projections as one of the top
17 occupations at each level of educational attainment typical for entry; or

18 (ii) the Agency determines should otherwise receive an incentive
19 grant under the Program because the worker possesses exceptional education,
20 skills, or training or due to other extraordinary circumstances; and

21 (D) receives gross wages for the position that equal or exceed:

1 (i) 160 percent of the State minimum wage; or

2 (ii) if the employer is located in a labor market area in which the
3 average annual unemployment rate is higher than the average annual
4 unemployment rate for the State, 140 percent of the State minimum wage.

5 (2) “New remote worker” means an individual who:

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

8 (B) becomes a full-time resident of this State on or after January 1,
9 2021; and

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

12 (3) “New returning worker” means a new relocating worker or new
13 remote worker who:

14 (A) was a Vermont resident at the time he or she graduated from a
15 Vermont high school or was awarded a recognized high school equivalency;

16 (B) was a resident of another jurisdiction outside of Vermont for five
17 or more years after graduating or receiving a high school equivalency award.

18 (4) “Qualifying expenses” means:

19 (A) for a new relocating worker, the actual costs the new relocating
20 worker incurs for one or more of the following:

1 (i) relocation expenses, which may include closing costs for a
2 primary residence; rental security deposit; first month's rent payment; and
3 other expenses established in Agency guidelines; and

4 (ii) expenses necessary for a new worker to perform his or her
5 employment duties, including connectivity costs, specialized tools and
6 equipment, and other expenses established in Agency guidelines.

7 (B) for a new remote worker, the actual costs the new remote worker
8 incurs for one or more of the following that are necessary to perform his or her
9 employment duties:

10 (i) relocation to this State;

11 (ii) computer software and hardware;

12 (iii) broadband access or upgrade; and

13 (iv) membership in a co-working or similar space; and

14 (C) for a new returning worker:

15 (i) the expenses identified in subdivisions (4)(A) or (B) of this
16 subsection (e); and

17 (ii) student loan forgiveness.

18 (5) "Qualifying new employee" means:

19 (A) a new relocating worker;

20 (B) a new remote worker; or

21 (C) a new returning worker.

1 Sec. 2. IMPLEMENTATION; FUNDING; TRANSITION

2 (a) It is the intent of the General Assembly to consolidate into a single
3 program:

4 (1) a new mechanism for providing student loan debt forgiveness to
5 Vermonters returning to the State;

6 (2) the funding and activities of the New Remote Worker Grant Program
7 created in 2018 Acts and Resolves No. 197, Sec. 1, as amended by 2019 Acts
8 and Resolves No. 80, Sec. 15; and

9 (3) the funding and activities of the New Worker Relocation Incentive
10 Program created by 2019 Acts and Resolves No. 80, Sec. 12.

11 (b) Consistent with subsection (a) of this section, the Agency of Commerce
12 and Community Development may use any remaining funds appropriated to it
13 for the New Remote Worker Grant Program and the New Worker Relocation
14 Incentive Program to:

15 (1) award incentives to new remote workers and new workers who
16 qualify for an incentive under either of those programs until January 1, 2021;
17 and

18 (2) award incentives to qualifying employees under the New Vermont
19 Employee Incentive Program created by this act on or after January 1, 2021.

20 Sec. 3. REPEAL

21 The following are repealed:

1 (1) 2018 Acts and Resolves No. 197, Sec. 1, as amended by 2019 Acts
2 and Resolves No. 80, Sec. 15 (New Remote Worker Grant Program); and

3 (2) 2019 Acts and Resolves No. 80, Sec. 12 (New Worker Relocation
4 Incentive Program).

5 Sec. 4. EFFECTIVE DATES

6 This act shall take effect on July 1, 2020, except Sec. 3 (repeal) shall take
7 effect on January 1, 2021.