

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Commerce and Economic Development to which was
3 referred House Bill No. 159 entitled “An act relating to creating the Better
4 Places Program” respectfully reports that it has considered the same and
5 recommends that the bill be amended by striking out all after the enacting
6 clause and inserting in lieu thereof the following:

7 * * * Tourism and Marketing * * *

8 Sec. 1. APPROPRIATION

9 (a) In fiscal year 2022, the amount of \$1,000,000 is appropriated from the
10 General Fund to the Department of Tourism and Marketing.

11 * * * Technology-Based Economic Development * * *

12 Sec. 2. TECHNOLOGY-BASED ECONOMIC DEVELOPMENT
13 PROGRAM

14 (a) Purpose.

15 (1) The COVID-19 pandemic has shown the devastating effects of over
16 reliance on tourism and service - based economy can have on its citizens.

17 (2) The opportunity exists for Vermont to take a long-term view and
18 approach towards strengthening its economic base by creating an environment
19 where technology - based businesses can thrive.

20 (3) The goal is to take a long-term view towards strengthening
21 Vermont’s economic base, to help raise the median wage, lower the overall tax

1 burden, help Vermont business remain competitive in national and global
2 economies, and create strategic university partnerships that further the
3 economic development goals of the State.

4 (4) To ensure Vermont remains relevant and competitive in the global
5 economy over the next 20 years, the Technology Based Economic
6 Development Program is designed to strengthen our State’s economic base by
7 providing the essential tools and resources necessary to foster a climate where
8 technology-based businesses can be created and thrive.

9 (5) The Vermont Department of Economic Development in partnership
10 with the UVM Office of Engagement will help Vermont businesses looking to
11 commercialize new technologies advanced through research and development.

12 (6) It will help existing tech and advanced manufacturing companies in
13 Vermont remain relevant in the market by strengthening collaboration between
14 industry and higher-ed.

15 (7) In the long-term it will help Vermonters in all 14 counties who want
16 the opportunity to work at companies on the cutting edge of innovation.

17 (b) Matching Grants and Technical Support.

18 (1) The Department of Economic Development shall contract with a
19 technical service provider to assist Vermont-based technology companies in
20 applying for federal small business innovation research and small business
21 technology transfer grants.

1 (2) Eligible Vermont companies who receive a federal SBIR/STTR
2 Phase I or II grant are eligible to apply for a matching grant from the
3 Department of Economic Development.

4 (3) Grantees are eligible for up to 50 percent of the federal award up to
5 \$50,000.00.

6 (4) Build and market co-location and science service opportunities at
7 UVM (i.e., mass spectrometry and scanning electron microscope services, etc.)
8 in areas like materials science, aerospace and environmental sensor industries.

9 (c) Industry Research Partnership Program.

10 (1) Eligible Vermont companies can apply for grants to purchase
11 services from universities and research institutions to stimulate innovation.

12 (2) Eligible uses include research and development assistance,
13 technology assessments, product prototyping, lab validation, and overcoming
14 product development hurdles.

15 (3) Grantees shall provide a dollar-for-dollar match to State funding.

16 (d) Furthering Economic Development.

17 (1) Utilizing other services and capabilities of UVM's office of
18 engagement to help match students with opportunities at VT employers, enable
19 and encourage alumni relocation to Vermont, and utilize data science
20 capabilities to inform decisions and policy.

1 (2) The Department of Economic Development will work with the
2 Office of Engagement to amplify opportunities to start, grow, or relocate
3 business to the state of Vermont.

4 (e) Outcomes; measures. The Secretary shall adopt measures to evaluate
5 the effectiveness of the funding, including federal dollars leveraged, amount of
6 private capital raised by participating companies, and the number of new jobs
7 created.

8 Sec. 3. APPROPRIATION

9 In fiscal year 2022, the amount of \$1,000,000 is appropriated from the
10 General Fund to the Department of Economic Development.

11 * * * Postsecondary CTE System * * *

12 Sec. 4. 2019 Acts and Resolves No. 80, Sec. 6 is amended to read:

13 Sec. 6. POSTSECONDARY CAREER AND TECHNICAL EDUCATION
14 SYSTEM

15 (a) Findings; purpose.

16 (1) Findings. The General Assembly finds:

17 (A) Like many rural states, Vermont faces demographic realities that
18 have resulted in an historically low unemployment rate and created obstacles
19 for employers that seek to hire and retain enough fully trained employees.

1 (B) Notwithstanding this high employer demand, due to rapidly
2 changing technology and evolving business needs, potential employees may
3 lack the particular skills and training necessary to qualify for available jobs.

4 (C) In order to assist employers and employees in matching demand
5 to requisite skills, Vermont has a broad diversity of postsecondary workforce
6 education and training programs offered by multiple providers, including
7 programs administered or funded by State government, educational
8 institutions, and business-lead groups ~~such as the Vermont Talent Pipeline~~
9 **Management Project**. The State should continue to work closely with these
10 providers to identify and meet the needs of employers and employees.

11 (b) Postsecondary CTE System.

12 (1) The Department of Labor, in collaboration with the Agency of
13 Education, the Vermont State Colleges, and the Vermont Adult Technical
14 Education Association, and any consultant the Department hires for that
15 purpose, shall consider and report to the General Assembly on the design,
16 implementation, and costs of an integrated postsecondary career and technical
17 education system that achieves the results specified in subdivision (a)(2) of this
18 section.

19 (2) In performing their work, the Department, stakeholders, and any
20 consultant shall conduct a broad-based stakeholder engagement process to
21 solicit input from interested parties, and State agencies and departments shall

1 provide necessary information and assistance within their relative areas of
2 expertise.

3 (c) Report. On or before January 15, ~~2020~~ 2022, the Department of Labor
4 shall submit a report on its work and any recommendations for legislative
5 action to the House Committee on Commerce and Economic Development and
6 the Senate Committee on Economic Development, Housing and General
7 Affairs.

8 (d) In performing its work to create an integrated postsecondary career and
9 technical education system, the Department shall recognize issues faced by
10 persons with historical barriers to employment or who are underrepresented in
11 the workforce, including persons who have faced discrimination based on race,
12 sex, sexual orientation, gender identity, age, refugee status, and national origin;
13 persons in recovery; persons with a history of incarceration; and persons with
14 disabilities.

15 * * * Group Insurance; Northern Borders Regional Commission * * *

16 Sec. 5. 3 V.S.A. § 631 is amended to read:

17 § 631. GROUP INSURANCE FOR STATE EMPLOYEES; SALARY
18 DEDUCTIONS FOR INSURANCE, SAVINGS PLANS, AND
19 CREDIT UNIONS

20 (a)(1) The Secretary of Administration may contract on behalf of the State
21 with any insurance company or nonprofit association doing business in this

1 State to secure the benefits of franchise or group insurance. Beginning July 1,
2 1978, the terms of coverage under the policy shall be determined under section
3 904 of this title, but it may include:

4 (A) life, disability, health, and accident insurance and benefits for
5 any class or classes of State employees; and

6 (B) hospital, surgical, and medical benefits for any class or classes of
7 State employees or for those employees and any class or classes of their
8 dependents.

9 (2)(A)(i) As used in this section, the term “employees” includes any
10 class or classes of elected or appointed officials, State’s Attorneys, sheriffs,
11 employees of State’s Attorneys’ offices whose compensation is administered
12 through the State of Vermont payroll system, except contractual and temporary
13 employees, and deputy sheriffs paid by the State of Vermont pursuant to
14 24 V.S.A. § 290(b). The term “employees” shall not include members of the
15 General Assembly as such, any person rendering service on a retainer or fee
16 basis, members of boards or commissions, or persons other than employees of
17 the Vermont Historical Society, ~~the Vermont Film Corporation~~, the Vermont
18 State Employees’ Credit Union, Vermont State Employees’ Association, ~~and~~
19 the Vermont Council on the Arts, and the Northern Border Regional
20 Commission, whose compensation for service is not paid from the State
21 Treasury, or any elected or appointed official unless the official is actively

1 engaged in and devoting substantially full-time to the conduct of the business
2 of his or her public office.

3 (ii) For purposes of group hospital-surgical-medical expense
4 insurance, the term “employees” shall include employees as defined in
5 subdivision (i) of this subdivision (2)(A) and former employees as defined in
6 this subdivision who are retired and are receiving a retirement allowance from
7 the Vermont State Retirement System or the State Teachers’ Retirement
8 System of Vermont and, for the purposes of group life insurance only, are
9 retired on or after July 1, 1961, and have completed 20 creditable years of
10 service with the State before their retirement dates and are insured for group
11 life insurance on their retirement dates.

12 (iii) For purposes of group hospital-surgical-medical expense
13 insurance only, the term “employees” shall include employees as defined in
14 subdivision (i) of this subdivision (2)(A) and employees who are receiving a
15 retirement allowance based upon their employment with the Vermont State
16 Employees’ Association, the Vermont State Employees’ Credit Union, the
17 Vermont Council on the Arts, as long as they are covered as active employees
18 on their retirement date, and:

19 (I) they have at least 20 years of service with that employer; or

20 (II) have attained 62 years of age, and have at least 15 years of
21 service with that employer.

1 (B) The premiums for extending insurance coverage to employees
2 shall be paid in full by the Vermont Historical Society, ~~the Vermont Film~~
3 ~~Corporation~~, the Vermont State Employees' Association, the Vermont State
4 Employees' Credit Union, the Vermont Council on the Arts, and the Northern
5 Border Regional Commission, or their respective retirees. Nothing herein
6 creates a legal obligation on the part of the State of Vermont to pay any portion
7 of the premiums required to extend insurance coverage to this group of
8 employees.

9 * * *

10 * * * Better Places Program * * *

11 Sec. 6. FINDINGS; INTENT AND PURPOSE

12 (a) The General Assembly finds:

13 (1) The COVID-19 pandemic has devastated our economy through
14 business closures and job losses, and physical distancing requirements have
15 exacerbated social isolation and impacted Vermonters' quality of life and sense
16 of community.

17 (2) Public spaces are essential for supporting economic activity and
18 health and well-being throughout the pandemic and for building engaged,
19 equitable, and resilient communities in the future.

20 (3) Vermont's downtowns and villages increasingly depend on inviting
21 public spaces that are robustly programmed to restore our distinct sense of

1 place, strengthen community pride and identity, and attract businesses, jobs,
2 and talent.

3 (4) Placemaking projects intentionally leverage the power of the arts and
4 cultural assets to strengthen the economic and social fabric of communities and
5 allow for growth and transformation that builds upon local and regional
6 character, culture, and quality of place.

7 (5) Research shows that community-driven placemaking projects
8 increase economic and civic vitality, and create spaces where commerce
9 thrives, social connections flourish, civic participation increases, and residents
10 are empowered to take ownership of their future to build healthier and
11 equitable local economies.

12 (b) It is the intent of the General Assembly to:

13 (1) enhance the livability and unique sense of place in Vermont’s
14 downtowns and villages by providing funding, training, and resources to
15 support investments in public spaces and local placemaking projects that build
16 prosperous, equitable, healthy, and resilient communities;

17 (2) promote healthy, safe, equitable, and vibrant downtowns, villages,
18 and neighborhoods for people of all ages, abilities, backgrounds, and incomes
19 by increasing public space and placemaking investments in local communities;

20 (3) strategically coordinate and simplify the funding process from
21 multiple community development funders, streamline the grantmaking and

1 distribution process, democratize community access to grant funds, and
2 provide communities a nimble, flexible source to quickly fund and launch
3 community-driven placemaking projects to make positive and enduring change
4 locally; and

5 (4) help local leaders identify, develop, and implement placemaking
6 projects by creating the Better Places Program to advance local recovery
7 efforts, rebuild local economies, boost local capacity, and reconnect
8 Vermonters to one another – critical elements that help communities recover
9 quickly and build prosperous and resilient communities in the future.

10 Sec. 7. 24 V.S.A. § 2799 is added to read:

11 § 2799. BETTER PLACES PROGRAM; CROWD GRANTING

12 (a)(1) There is created a Better Places Program within the Department of
13 Housing and Community Development, and a Better Places Fund, which the
14 Department shall manage pursuant to 32 V.S.A. chapter 7, subchapter 5.

15 (2) The purpose of the Program is to utilize crowdfunding to spark
16 community revitalization through collaborative grantmaking for projects that
17 create, activate, or revitalize public spaces.

18 (3) The Department may administer the Program in coordination with
19 and support from other State agencies and nonprofit and philanthropic partners.

20 (b) The Fund is composed of the following:

21 (1) State or federal funds appropriated by the General Assembly;

1 (2) gifts, grants, or other contributions to the Fund; and

2 (3) any interest earned by the Fund.

3 (c) As used in this section, “public space” means an area or place that is
4 open and accessible to all people with no charge for admission, and includes
5 village greens, squares, parks, community centers, town halls, libraries, and
6 other publicly accessible buildings and connecting spaces such as sidewalks,
7 streets, alleys, and trails.

8 (d)(1) The Department of Housing and Community Development shall
9 establish an application process, eligibility criteria, and criteria for prioritizing
10 assistance for awarding grants through the Program.

11 (2) The Department may award a grant to a municipality, a nonprofit
12 organization, or a community group with a fiscal sponsor, for a project that is
13 located in or serves a designated downtown, village center, new town center, or
14 neighborhood development area that will create a new public space or
15 revitalize or activate an existing public space.

16 (3) The Department may award a grant to not more than one project per
17 calendar year within a municipality.

18 (4) The minimum amount of a grant award is \$5,000 and the maximum
19 amount of a grant award is \$50,000.

1 (5) The Department shall develop matching grant eligibility
2 requirements to ensure a broad base of community and financial support for
3 the project, subject to the following:

4 (A) A project shall include in-kind support and matching funds raised
5 through a crowdfunding approach that includes multiple donors.

6 (B) An applicant may not donate to its own crowdfunding campaign.

7 (C) A donor may not contribute more than \$10,000 or 35 percent of
8 the campaign goal, whichever is less.

9 (D) An applicant shall provide matching funds raised through
10 crowdfunding of not less than 25 percent and not more than 50 percent of the
11 grant award, provided that the Department may adjust the matching
12 requirements within this range if necessary due to demand and availability of
13 funds.

14 (e) The Department of Housing and Community Development, with the
15 assistance of a fiscal agent, shall distribute funds under this section in a manner
16 that provides funding for projects of various sizes in as many geographical
17 areas of the State as possible.

18 (f) The Department of Housing and Community Development may use up
19 to 15 percent of any appropriation to the Fund from the General Fund to assist
20 with crowdfunding, administration, training, and technological needs of the
21 Program.

1 (g) Beginning on January 15, 2022 and annually thereafter, the Department
2 of Housing and Community Development shall submit to the Senate
3 Committee on Economic Development, Housing and General Affairs and the
4 House Committee on Commerce and Economic Development an annual report
5 regarding the activities and progress of the Program. The report shall:

6 (1) summarize the Program activities in the preceding year and report on
7 the number of awarded grants and the total grant funds allocated;

8 (2) report on partner resources and contributions to the Program; and

9 (3) report on any measurable economic activity, which may include
10 number of jobs created, number of visitors, the approximate number of square
11 feet to be activated or redeveloped, and the number of volunteers engaged in
12 the project.

13 * * * Downtown Tax Credit Program * * *

14 Sec. 8. 32 V.S.A. § 5930aa is amended to read:

15 § 5930aa. DEFINITIONS

16 As used in this subchapter:

17 (1) “Qualified applicant” means an owner or lessee of a qualified
18 building involving a qualified project, but does not include a State or federal
19 agency or a political subdivision of either; or an instrumentality of the United
20 States.

1 (2) “Qualified building” means a building built at least 30 years before
2 the date of application, located within a designated downtown ~~or~~ village
3 center, or neighborhood development area, which, upon completion of the
4 project supported by the tax credit, will be an income-producing building not
5 used solely as a single-family residence. Churches and other buildings owned
6 by religious organization may be qualified buildings, but in no event shall tax
7 credits be used for religious worship.

8 (3) “Qualified code improvement project” means a project:

9 (A) to install or improve platform lifts suitable for transporting
10 personal mobility devices, limited use or limited application elevators,
11 elevators, sprinkler systems, and capital improvements in a qualified building,
12 and the installations or improvements are required to bring the building into
13 compliance with the statutory requirements and rules regarding fire prevention,
14 life safety, and electrical, plumbing, and accessibility codes as determined by
15 the Department of Public Safety;

16 (B) to abate lead paint conditions or other substances hazardous to
17 human health or safety in a qualified building; or

18 (C) to redevelop a contaminated property in a designated downtown
19 ~~or~~ village center, or neighborhood development area under a plan approved by
20 the Secretary of Natural Resources pursuant to 10 V.S.A. § 6615a.

1 (4) “Qualified expenditures” means construction-related expenses of the
2 taxpayer directly related to the project for which the tax credit is sought but
3 excluding any expenses related to a private residence.

4 (5) “Qualified façade improvement project” means the rehabilitation of
5 the façade of a qualified building that contributes to the integrity of the
6 designated downtown ~~or~~ designated village center, or neighborhood
7 development area. Façade improvements to qualified buildings listed, or
8 eligible for listing, in the State or National Register of Historic Places must be
9 consistent with Secretary of the Interior Standards, as determined by the
10 Vermont Division for Historic Preservation.

11 * * *

12 Sec. 9. 32 V.S.A. § 5930ee is amended to read:

13 § 5930ee. LIMITATIONS

14 Beginning in fiscal year 2010 and thereafter, the State Board may award tax
15 credits to all qualified applicants under this subchapter, provided that:

- 16 (1) the total amount of tax credits awarded annually, together with sales
- 17 tax reallocated under section 9819 of this title, does not exceed ~~\$3,000,000.00~~
- 18 \$4,750,000.00.

19 * * *

1 (5) credit under any one subsection of 5930cc of this subchapter may
2 not be allocated more often than once every two years with respect to the same
3 building; ~~and~~

4 (6) credit awarded under section 5930cc of this subchapter that is
5 rescinded or recaptured by the State Board shall be available for the State
6 Board to award to applicants in any subsequent year, in addition to the total
7 amount of tax credits authorized under this section;

8 (7) the total amount of tax credits awarded annually to qualified projects
9 located within neighborhood development areas does not exceed \$750,000.00;
10 and

11 (8) no credit shall be awarded to a qualified project located within a
12 neighborhood development area after July 1, 2026.

13 Sec. 10. 24 V.S.A. § 2793a is amended to read:

14 § 2793a. DESIGNATION OF VILLAGE CENTERS BY STATE BOARD

15 * * *

16 (c) A village center designated by the State Board pursuant to
17 subsection (a) of this section is eligible for the following development
18 incentives and benefits:

19 * * *

20 ~~(4) The following State tax credits for projects located in a designated~~
21 ~~village center:~~

1 ~~(A) A State historic rehabilitation tax credit of ten percent under~~
2 ~~32 V.S.A. § 5930cc(a) that meets the requirements for the federal rehabilitation~~
3 ~~tax credit.~~

4 ~~(B) A State façade improvement tax credit of 25 percent under~~
5 ~~32 V.S.A. § 5930cc(b).~~

6 ~~(C) A State code improvement tax credit of 50 percent under~~
7 ~~32 V.S.A. § 5930cc(e) The Downtown and Village Center Tax Credit Program~~
8 ~~described in 32 V.S.A. § 5930aa et seq.~~

9 * * *

10 Sec. 11. 24 V.S.A. § 2793e is amended to read:

11 § 2793e. NEIGHBORHOOD PLANNING AREAS; DESIGNATION OF
12 NEIGHBORHOOD DEVELOPMENT AREAS

13 * * *

14 (f) Neighborhood development area incentives for developers. Once a
15 municipality has a designated neighborhood development area or has a
16 Vermont neighborhood designation pursuant to section 2793d of this title, any
17 proposed development within that area shall be eligible for each of the benefits
18 listed in this subsection. These benefits shall accrue upon approval by the
19 district coordinator, who shall review the density requirements set forth in
20 subdivision (c)(7) of this section to determine benefit eligibility and issue a

1 jurisdictional opinion under 10 V.S.A. chapter 151 on whether the density
2 requirements are met. These benefits are:

3 (1) ~~The~~ the application fee limit for wastewater applications stated in
4 3 V.S.A. § 2822(j)(4)(D);

5 (2) ~~The~~ the application fee reduction for residential development stated
6 in 10 V.S.A. § 6083a(d);

7 (3) ~~The~~ the exclusion from the land gains tax provided by 32 V.S.A.
8 § 10002(p); and

9 (4) eligibility for the Downtown and Village Center Tax Credit Program
10 described in 32 V.S.A. § 5930aa et seq.

11 * * *

12 Sec. 12. 24 V.S.A. § 2794 is amended to read:

13 § 2794. INCENTIVES FOR PROGRAM DESIGNEES

14 (a) Upon designation by the Vermont Downtown Development Board
15 under section 2793 of this title, a downtown development district and projects
16 in a downtown development district shall be eligible for the following:

17 (1) Priority consideration by any agency of the State administering any
18 State or federal assistance program providing funding or other aid to a
19 municipal downtown area with consideration given to such factors as the costs
20 and benefits provided and the immediacy of those benefits, provided the
21 project is eligible for the assistance program.

1 (3) for any housing produced within neighborhood development areas
2 using tax credits under 32 V.S.A. § 5930aa et seq., the number of housing units
3 produced, the development cost per unit, and the average rent per unit;

4 (4) whether to extend the sunset in 32 V.S.A. § 5930ee(8); and

5 (5) any recommended changes to the programs.

6 * * * International Business Attraction and Investment Program * * *

7 Sec. 14. FINDINGS

8 (a) The General Assembly finds:

9 (1) Business investment by Quebec-based businesses is expected to
10 generate increased employment, increase the range of job opportunities for
11 Vermonters, and increase the dynamism of our communities.

12 (2) Investments in Vermont by outside businesses will increase the rate
13 of growth for Vermont's economy;

14 (3) Increased investments in recruiting international businesses can lead
15 to better wages, more attractive job opportunities, and broaden Vermont's tax
16 base.

17 (4) From the past work of the Department of Economic Development,
18 we know that small and mid-sized businesses in Quebec have a natural
19 inclination to explore Vermont as the site for expansion in the U.S. market.

20 (5) Adding a Business Attraction and Investment Program, and the
21 capability of a foreign trade representative to provide local recruitment

1 support, will allow the State of Vermont and its commercial entities to tap
2 resources of institutions, enterprises, and people to a greater degree.

3 (6) A partnership with an FTR will provide the State with lead
4 generation services, expansion monitoring, in-market representation, market
5 intelligence, and the ability to engage and nurture high-growth companies
6 primed for expansion.

7 Sec. 15. APPROPRIATION; REPORT

8 (a) In fiscal year 2022, the amount of \$300,000 is appropriated from the
9 General Fund to the Department of Economic Development to provide funding
10 for up to two years to contract with a foreign trade representative consistent
11 with Sec. 19 of this act.

12 (b) Not less than 30 days after the first anniversary of the contract, the
13 Agency of Commerce and Community Development shall report to the House
14 Committee on Commerce and Economic Development and the Senate
15 Committee on Economic Development, Housing and General Affairs
16 concerning:

17 (1) the terms of the contract;

18 (2) the type and number of business contacts and engagement;

19 (3) the type of businesses, jobs, and wages brought to the State, if any;

20 (4) metrics to evaluate success of the contract and the representative.

21 Sec. 16. WORKFORCE TRAINING

1 In fiscal year 2022, the amount of \$20,500,000.00 is appropriated from the
2 General Fund to the Vermont State Colleges, in coordination with the
3 Department of Labor, for workforce training to serve Vermonters who have
4 been impacted by the COVID-19 pandemic through layoffs, furloughs, reduced
5 hours, or due to being employed in an industry that has been severely affected,
6 as follows:

7 (1) Welcome Home Scholarships. \$4,000,000 to provide scholarships
8 of \$5,000 per year or \$2,500 per semester for full-time students enrolled for
9 12 or more credits, or \$3,000 per year or \$1,500 per semester for part-time
10 students, to Vermonters transferring from out-of-state institutions or returning
11 to school after exiting in 2020-2021. This program’s mission is to incentivize
12 students to come home to Vermont by transferring to VSCS institutions and to
13 complete their degree if they left school without finishing in 2020-2021.

14 (2) Degree Completion Program. \$3,000,000 to provide scholarships
15 for up to 30 credits towards a credential of value for adult learners who have
16 earned at least 40 credits towards an undergraduate degree and have a gap in
17 attendance of at least two years.

18 (3) Critical Occupations; Graduate Internship Scholarships. \$2,000,000
19 to provide scholarships for up to 12 credits and compensation of \$15 per hour
20 for up to 240 hours per semester for graduate students who are required to

1 fulfill an internship or practicum requirement for a graduate degree in
2 education or mental health counseling.

3 (4) Critical Occupations; Undergraduate Internship Scholarships.
4 \$1,000,000 to provide compensation of \$15 per hour for up to 240 hours per
5 semester for undergraduate students who are required to fulfill an internship or
6 practicum requirement for an undergraduate degree in education or allied
7 health.

8 (5) Free Tuition for Critical Occupation Careers. \$5,500,000 to provide
9 free last dollar tuition for one year of undergraduate studies for critical
10 occupation careers, including: Bookkeeping Certificate (CCV); IT Service
11 Desk Specialist Certificate (CCV); Certified Production Technician (CCV);
12 Graphic Design Certificate (CCV); Software & Web Dev Program (VTC);
13 Practical Nursing Program (VTC); Electrical & Plumbing Apprenticeships
14 (VTC); Childcare (CCV associates, NVU Bachelor's); Allied Health
15 Certificate (CCV); Nursing Programs – (CU, VTC, or the Allied Health
16 Certificate at CCV); Mental Health Counseling (NVU); Paramedicine (VTC) ;
17 Dental Hygiene (VTC); Certificate in Accounting (CU/NVU); Small Business
18 Management (NVU); Radiologic Science (VTC); and Respiratory Therapy
19 (VTC).

20 (6) Workforce Development 2.0. \$3,000,000 to provide funding for up
21 to six credits or two courses, including wraparound services, for Vermonters

1 whose employment was impacted by the COVID-19 public health emergency
2 since March 13, 2020.

3 (7) Long-Term Care Facility PN Program. \$2,000,000 to provide
4 funding for tuition and wraparound services for 40 students in high value
5 career paths.

6 Sec. 17. MICROBUSINESS DEVELOPMENT PROGRAM

7 (a) The General Assembly finds that the Microbusiness Development
8 Program has demonstrated the capability to help individuals lift themselves out
9 of poverty by providing the technical support and financial assistance
10 necessary to start and sustain entrepreneurial enterprises.

11 (b) In fiscal year 2022, the amount of X is appropriated from the General
12 Fund to the Microbusiness Development Program to provide grants to eligible
13 applicants for new business start-ups.

14 **Sec. 18. STATE BIPOC BUSINESS NETWORK SUPPORT**

15 (a) Intent.

16 (1) Racial wealth disparities are a function of not only access to income,
17 but also the ability to start and sustain a business, access land, and own
18 property.

19 (2) Vermont embraces its responsibility to course correct the historical
20 impact of economic exploitation and exclusion from opportunity due to race

1 and ethnicity for American descendants of slavery and the broader Black,
2 Indigenous, and other People of Color community.

3 (3) In order to rectify this history of inequity, it is the intent of this
4 Legislature to acknowledge and address wealth disparity and cultural
5 disempowerment by creating economic opportunity and cultural
6 empowerment, using new systems that empower Vermonters who have
7 historically suffered from discrimination and lacked equal access to public or
8 private economic benefits due to race, ethnicity, geography, language
9 preference, and immigrant or citizen status.

10 (b) Findings.

11 (1) The Vermont Partnership for Fairness & Diversity conducted a
12 survey of BIPOC businesses after the Emergency Recovery Grant programs
13 closed. The survey analysis included three core recommendations: (1) form a
14 state BIPOC Commission; (2) create a BIPOC business association; and (3)
15 improve data collection and the state's understanding of BIPOC business'
16 needs.

17 (2) The Committee sought information from over a dozen BIPOC
18 business and community and State leaders to learn what BIPOC businesses
19 need to be economically successful in Vermont. Core findings included:

20 (A) allow BIPOC businesses to lead and define the formation of a
21 business organization;

1 (B) offer more support to BIPOC businesses by assisting them in
2 procuring state contracts, securing capital investment and customer cultivation,
3 and finding technical support;

4 (C) improve language access and cultural competency practices
5 within State economic development programs and strengthen connections to
6 BIPOC businesses; and

7 (D) improve State data collection to better serve the variety of
8 identities represented within the BIPOC community.

9 (c) BIPOC business network.

10 (1) In fiscal year 2022 the amount of \$100,000 is appropriated from the
11 General Fund to the Agency of Commerce and Community Development to
12 provide funding for a contractor of not more than \$100,000 to convene BIPOC
13 businesses, organizations, and community leaders and other business
14 organizations, and representatives from State government to create a set of
15 recommendations on how to launch a State BIPOC business network.

16 (2) On or before January 15, 2022 the contractor shall deliver to the
17 Agency and to legislative committees of jurisdiction a report summarizing its
18 process, deliberations, and a set of recommendations on how the State can
19 support the formation of a BIPOC business association, including financial
20 resources needed and policy changes.

1 (3) Applications for the contract will be reviewed and selected by the
2 Vermont Racial Equity Office and the Secretary of Commerce and Community
3 Development.

4 Sec. 19. 10 V.S.A. § 2 is added to read:

5 § 2. BIPOC BUSINESS DEVELOPMENT

6 The Department of Economic Development shall design and implement an
7 Economic Advancement Program and dedicate at least one full-time equivalent
8 employee to oversee the following responsibilities:

9 (1) to cultivate and support BIPOC businesses including:

10 (A) technical assistance;

11 (B) grants and loans;

12 (C) business-to-business mentorship program;

13 (D) business procurement contract assistance;

14 (E) financial management, digital growth and marketing;

15 (F) start-up support;

16 (G) capital investment opportunities; and

17 (H) networking;

18 (2) to provide training to business technical assistance providers to
19 reduce bias in service delivery;

1 (3) to create a data collection system to allow the department to analyze
2 trends, sectors, and outcomes for BIPOC businesses to better inform economic
3 development policy that benefits BIPOC businesses; and

4 (4) to create an outreach program that includes language access for the
5 three most used languages within Vermont other than English on all the
6 programs offered to Vermont businesses within DEC.

7 **Sec. 20. ENTREPRENEURS' SEED CAPITAL FUND; GRANTS**

8 (a) Entrepreneurs' Seed Capital Fund. The Entrepreneurs' Seed Capital
9 Fund, created by the Vermont Economic Development Authority pursuant to
10 10 V.S.A. § 291, is a \$5.1 million revolving "evergreen" capital fund in
11 operation since 2010 serving Vermont's entrepreneurs and early stage
12 technology enabled companies for job growth, income potential and wealth
13 creation. Since inception, the Fund's portfolio companies have now raised in
14 excess of \$182 million. The Fund is professionally managed by the Vermont
15 Center for Emerging Technologies (VCET).

16 (b) Appropriation. The amount of \$1,000,000 is appropriated from the
17 General Fund to the Entrepreneurs' Seed Capital Fund to provide risk stage
18 seed capital to Vermont businesses that have experienced economic disruption
19 either through reduced business, new business formation, or through an
20 unmanageable increase in new business due to the COVID-19 crisis.

1 (c) Fast Capital Investment Program; categories. Notwithstanding any
2 provision 10 V.S.A. § 290 to the contrary, the Fund shall award grants to
3 business as follows:

4 (1) The Fund shall award grants to rapid seed and early growth stage
5 employers that have a viable plan for recovery and growth.

6 (2) The Fund shall make expedited investments using simplified
7 investment terms and instruments, including stock, convertible notes,
8 forgivable loans, royalty financing or grants with equity warrants. The
9 expected range per new investment is \$20,000 to \$100,000 from this
10 appropriation with specific new emphasis on sourcing and funding BIPOC,
11 veteran and women owned businesses.

12 (3) In continuing to serve the Vermont innovation ecosystem and
13 notwithstanding the expedited program timeline, the Fund shall pursue co-
14 investment participation from local and regional investors, including Vermont
15 venture funds, family offices, community foundations, accredited individual
16 “angel” investors, lending institutions, and other relevant sources.

17 (d) Eligibility. For-profit Vermont businesses are eligible under the Fast
18 Capital Investment Program except where other significant State appropriated
19 Coronavirus Relief Fund program resources have been directed. These
20 excluded sectors include:

21 (A) traditional in-person retail operations;

1 (B) lodging, hospitality and real estate operations; and

2 (C) restaurants and food service operations.

3

4

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6 (Committee vote: _____)

7

8

Representative _____

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FOR THE COMMITTEE