

# Vermont Legislative Joint Fiscal Office

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## *FISCAL NOTE*

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### **H.159: An act relating to creating the Better Places Program – As Amended by the House Committee on Appropriations**

#### **Summary**

The bill creates, alters, or provides funding for many economic development programs in the State. It makes a number of appropriations, including but not limited to tourism promotion, the creation of a new technology based economic development program, a microbusiness business development program, and a BIPOC business network program. The bill also creates a Better Places Program within the Department of Housing and Community Development designed to improve public spaces within communities.

#### **Fiscal Impact**

The fiscal impact of the bill is largely associated its various appropriations.

#### ***Appropriations: \$14.075 million in FY2022***

The bill makes a number of appropriations in FY2022 from various sources, the majority of which come from American Rescue Plan funding, with some General Fund and other sources.

Section 1 appropriates \$2.5 million of American Rescue Plan funding to the Department of Tourism and Marketing for the promotion of Vermont's tourism industry.

Section 2 appropriates \$1 million of American Rescue Plan funding to the Agency of Commerce and Community Development to develop a Technology Based Economic Development Program. This appropriation is divided between the following:

- \$200,000 to provide technical assistance to first-time applicants pursuing a federal SBIR or STTR grant.
- \$400,000 to provide a 50 percent State matching grant, up to \$50,000, for businesses that receive a receive a federal SBIR/STTR Phase I or Phase II grant.
- \$200,000 for a matching grant to Vermont businesses that purchase technical assistance from Vermont higher education institutions.
- \$200,000 for a pass-through grant to the University of Vermont Office of Engagement to help administer the program.

Section 2 also appropriates \$2 million in American Rescue Act funds to the University of Vermont Office of Engagement for a two-year period to leverage research services and data science capabilities of the university related to the Technology Based Economic Development program in the same section.

Section 4 appropriates \$75,000 to the Vermont Department of Labor from the Workforce Expansion Fund to hire a consultant on or before September 2021. The consultant is tasked with the design, implementation, and costs of an integrated postsecondary career and technical education system.

Sections 6 and 7 establish a Better Places crowd granting program, which distributes grants to municipalities, nonprofit, and community groups to create or improve public spaces in Vermont's communities. The bill appropriates \$5 million in FY 2022 in American Rescue Plan funds for this purpose.

Section 15 appropriates \$300,000 for the Agency of Commerce and Community Development for a two-year contract with a foreign trade representative to improve Canada-Vermont business ties.

Section 17 appropriates \$2.2 million for the creation of a microbusiness development program within Department for Children and Families, Office of Economic Opportunity.

- \$200,000 of General Fund revenues for pass-through grants to various Community Action Agencies to provide funding for regional microbusiness development programs.
- \$2 million of American Rescue Plan funds are allocated to the Statewide Community Action Network's Economic Micro Business Recovery Assistance for the COVID-19 Epidemic (EMBRACE) to assist the most disadvantaged Vermont microbusiness owners impacted by COVID-19.

Section 18 appropriates \$100,000 of American Rescue Fund funding to the Agency of Commerce and Community Development to hire a contractor to convene BIPOC businesses, organizations, and community leaders.

Section 20 appropriates \$900,000 for a new Entrepreneurs Seed Capital Fund, managed by the Vermont Center for Emerging Technologies, for early stage risk capital for Vermont businesses that have experienced economic disruption from the COVID-19 pandemic.