

1 TO THE HONORABLE SENATE:

2 The Committee on Economic Development, Housing and General Affairs to
3 which was referred Senate Bill No. 11 entitled “An act relating to prohibiting
4 robocalls” respectfully reports that it has considered the same and recommends
5 that the Senate concur in the House proposal of amendment and that the bill be
6 further amended by striking out all after the enacting clause and inserting in
7 lieu thereof the following:

8 Sec. 1. PURPOSE; IMPLEMENTATION

9 (a) The purpose of Secs. 1–45 of this act is to expand opportunities for
10 workforce education, training, and development for Vermonters and to make
11 meaningful investments to support and expand the workforce across the State.

12 (b) It is the intent of the General Assembly that each recipient of funding
13 through Secs. 1–45 of this act shall conduct significant outreach to ensure that
14 all Vermonters, and particularly populations that have experienced unequal
15 access to public or private economic benefits due to geography, socioeconomic
16 status, disability status, gender or gender identity, age, immigration or refugee
17 status, or race, have the opportunity to benefit from the financial and
18 programmatic benefits made available through this act.

1 Sec. 2. IMMEDIATE STRATEGIES AND FUNDING FOR EXPANDING
2 THE LABOR FORCE; INCREASING THE NUMBER OF
3 PARTICIPANTS AND PARTICIPATION RATES;
4 APPROPRIATIONS

5 (a) In fiscal year 2023, the following amounts are appropriated from the
6 General Fund to the following recipients for the purposes specified:

7 (1) \$2,500,000.00 to the University of Vermont Office of Engagement,
8 in consultation with the Vermont Student Assistance Corporation, to
9 administer a statewide forgivable loan program of \$5,000.00 per graduate for
10 recent college graduates across all Vermont higher education institutions who
11 commit to work in Vermont for two years after graduation.

12 (2) \$387,000.00 to Vermont Technical College to develop a skilled meat
13 cutter training and apprenticeship facility.

14 (b) In fiscal year 2023, the amount of \$500,000.00 is appropriated from the
15 American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery
16 Funds to the Agency of Human Services to provide grants, which may be
17 administered through a performance-based contract, to refugee- or New
18 American-focused programs working in Vermont to support increased in-
19 migration or retention of recent arrivals.

1 Sec. 3. CTE FUNDING AND GOVERNANCE; FINDINGS

2 (a) Vermont’s career and technical education (CTE) system is critical to
3 ensuring that all Vermonters have access to the high-quality resources they
4 need to explore a wide variety of career pathways, earn a postsecondary
5 credential of value, and establish a productive career.

6 (b) CTE is a vital component of our educational system, supporting and
7 delivering on the goals established by the General Assembly in 2013 Acts and
8 Resolves No. 77 (flexible pathways), 2018 Acts and Resolves No. 189
9 (workforce development), and in achieving our attainment goal, which is that
10 70 percent of working-age Vermonters have a credential of value by 2025
11 (10 V.S.A. § 546).

12 (c) CTE is also an equity lever, providing every student access to critical
13 workforce training, postsecondary coursework, and the real-world skills and
14 networks that prepare our youth to continue to earn and learn during and after
15 high school.

16 (d) As of the fall semester of the 2021–2022 school year, students were
17 enrolling in CTE programs at a higher rate than at the beginning of the
18 pandemic, increasing from 4,160 to 4,565. In the 2020–2021 school year,
19 Vermont’s CTE system awarded Tier II credentials of value to 459 students.

20 (e) Since 2015, through legislative initiatives such as 2015 Acts and
21 Resolves No. 51, 2017 Acts and Resolves No. 69, 2018 Acts and Resolves

1 No. 189, 2019 Acts and Resolves No. 80, and most recently 2021 Acts and
2 Resolves No. 74, the General Assembly and other stakeholders in education
3 and in State government have been working to identify, understand, and
4 resolve long-standing concerns related to the functioning of the CTE system.

5 (f) In 2018, the Agency of Education embarked on a collaborative process
6 that included students, legislators, and communities across the State to develop
7 a strategic vision and aspirational goals to help guide the transformation of the
8 CTE system.

9 (g) The State Board of Education adopted the Agency of Education’s
10 vision and goals for CTE that “all Vermont learners attain their postsecondary
11 goals by having access to career and technical education systems that are
12 equitable, efficient, integrated and collaborative.”

13 (h) 2018 Acts and Resolves No. 189 committed Vermont to a redesign of
14 its workforce development and training system, including the approval of up to
15 four pilot sites or projects to examine the way our CTE system is funded and
16 governed.

17 (i) In a report dated June 14, 2021, the Agency of Education reported on its
18 progress, which was interrupted by the COVID-19 pandemic. The report
19 presented possible alternatives to our current funding structure, which is
20 widely seen as a barrier to enrollment. However, these alternatives were based
21 on an examination of only the CTE school district funding model and did not

1 include the study of governance models. The report recommended completing
2 this study of CTE funding and governance models to propose actionable
3 implementation steps for the State.

4 (j) The Agency of Education’s State plan for federal Perkins funds is
5 aligned to the vision and goals created through collaborative processes that
6 included a public comment period. Processes required in the federal
7 legislation like the biennial Comprehensive Local Needs Assessment will
8 strengthen the role of CTE in each region and help to focus the use of limited
9 federal funds to improve the system.

10 Sec. 3a. FUNDING AND GOVERNANCE STRUCTURES OF
11 CAREER TECHNICAL EDUCATION IN VERMONT

12 (a) There is appropriated to the Agency of Education for fiscal year 2023
13 the amount of \$180,000.00 from the General Fund to contract for services to:

14 (1) complete an examination, which was interrupted by COVID-19, of
15 the existing funding structures of career technical education (CTE) in Vermont
16 and identify the best approach moving forward;

17 (2) examine CTE governance structures in relationship to those funding
18 structures and identify the best approach moving forward;

19 (3) examine the implications of the existing funding and governance
20 structures for kindergarten through grade 12 schools and adult education;

1 (4) propose an implementation plan for new models of CTE funding and
2 governance structures to improve the quality, duration, and access to CTE
3 statewide.

4 (b) In performing its work, the contractor shall consult with the consultant
5 and any other stakeholders involved in completing the report on the design,
6 implementation, and costs of an integrated and coherent adult basic education,
7 adult secondary education, and postsecondary career and technical education
8 system pursuant to 2021 Acts and Resolves No. 74, Sec. H.3.

9 (c) On or before March 1, 2023, the Agency of Education shall issue a
10 written report to the House and Senate Committees on Education, the House
11 Committee on Commerce and Economic Development, the Senate Committee
12 on Economic Development, Housing and General Affairs, the House
13 Committee on Ways and Means, and the Senate Committee on Finance on the
14 work performed pursuant to subsection (a) of this section.

15 (d)(1) The Agency of Education shall consider the work performed by the
16 contractor and shall develop an implementation plan, including recommended
17 steps to design and implement new funding and governance models.

18 (2) On or before July 1, 2023, the Agency shall issue a written report to
19 the House and Senate Committees on Education, the House Committee on
20 Commerce and Economic Development, the Senate Committee on Economic
21 Development, Housing and General Affairs, the House Committee on Ways

1 and Means, and the Senate Committee on Finance that describes the results of
2 its work under this subsection and the implementation plan and makes
3 recommendations for legislative action.

4 Sec. 4. INVESTMENT IN THE UP-SKILLING OF PRIVATE SECTOR
5 EMPLOYERS TO SUPPORT THE EVOLUTION OF BUSINESS
6 AND ORGANIZATIONAL MODELS; APPROPRIATIONS

7 In fiscal year 2023, the amount of \$250,000.00 is appropriated from the
8 General Fund to the Agency of Commerce and Community Development for a
9 performance-based contract to provide statewide delivery of business coaching
10 and other forms of training to BIPOC business owners, networking and special
11 convenings, and career fairs, workshops and paid internships, career guidance,
12 and other support for BIPOC workers across the State.

13 Sec. 4a. EDUCATOR WORKFORCE DEVELOPMENT;
14 APPROPRIATION; REPORT

15 (a) Purpose. The purpose of this section is to encourage and support the
16 development and retention of qualified and effective Vermont educators. To
17 combat the growing educator shortage throughout the State and meet the needs
18 of Vermont students, it is necessary to invest in nontraditional educator
19 training programs.

1 (b) Grant program.

2 (1) Program creation. In fiscal year 2023, there is established the Peer
3 Review Support Grant Program, to be administered by the Agency of
4 Education, to provide grants to expand support, mentoring, and professional
5 development to prospective educators seeking licensure through the Agency of
6 Education’s peer review process, with the goal of increased program
7 completion rates.

8 (2) Program administration. The Agency shall adopt policies,
9 procedures, and guidelines necessary for implementation of the Program
10 described in subdivision (1) of this subsection.

11 (3) Eligibility criteria. The Agency shall issue grants to organizations or
12 school districts with programs designed to provide prospective educators in the
13 peer review program the support necessary for successful completion of the
14 peer review process by providing:

15 (A) support through the Praxis exam process;

16 (B) local educator lead seminars designed around the Vermont
17 licensure portfolio themes;

18 (C) local educator mentors;

19 (D) support in completing the peer review portfolio and licensing
20 process; and

1 (E) continued professional development support within the first year
2 of licensure.

3 (4) Report. On or before January 15, 2023, the Agency of Education
4 shall report to the Senate and House Committees on Education on the status of
5 the implementation of the Peer Review Support Grant Program and a summary
6 and performance review of the programs to which grants were awarded. The
7 report shall include any metrics used in the performance review, the number of
8 program participants, endorsement areas of participants, feedback from
9 participants and mentors, and any recommendation for legislative action.

10 (c) Appropriation. Notwithstanding 16 V.S.A. § 4025(d), the sum of
11 \$712,500.00 is appropriated from the Education Fund to the Agency of
12 Education in fiscal year 2023 for the purpose of funding the Peer Review
13 Support Grant Program.

14 Sec. 5. OFFICE OF WORKFORCE INNOVATION TO LEAD AND
15 COORDINATE STATEWIDE WORKFORCE SYSTEM

16 (a) Findings. The General Assembly finds:

17 (1) Vermont is experiencing an acute labor shortage in 2022.

18 (2) According to the Employment and Labor Marketing Information
19 Division of the Vermont Department of Labor:

20 (A) There are approximately 28,000 job openings in Vermont as of
21 December 2021.

1 (B) 9,945 individuals meet the federal statistical definition of
2 unemployed as of January 2022.

3 (C) 4,500 individuals are receiving unemployment insurance
4 assistance as of March 2022.

5 (D) The workforce has shrunk by 26,000 individuals from 2019 to
6 2022, yet the unemployment rate is just three percent as of January 2022.

7 (E) The workforce participation rate has fallen from 66 percent to
8 60.6 percent.

9 (F) The total volume of hires made each year is approximately
10 200,000 nonunique individuals.

11 (3) The Department receives approximately 80 percent of its funding
12 from federal sources, which constrains the Department and its employees from
13 adjusting its work to meet immediate needs.

14 (4) The federal funding for field staff in the Workforce Development
15 Division has declined significantly over the past 20 years, supporting 75
16 persons in 2022 as compared to 135 in 2003.

17 (5) Though Vermont has a small population, the unique characteristics
18 of its region’s employers, educational institutions, demographics, and
19 socioeconomic conditions make it best to address efforts to connect individuals
20 with training and job placement on a regional basis.

1 (6) Because most State agencies and departments touch the workforce
2 system in some way, there is a need for more coordination and alignment
3 across State government to serve both job seekers and employers.

4 (7) Vermont needs a statewide workforce development, training, and
5 education system in which all Vermonters who want to work, and all
6 employers who want workers, can connect.

7 (b) Creation of Office of Workforce Innovation. The Office of Workforce
8 Innovation is created within the Governor’s office to coordinate statewide and
9 regional workforce expansion across all agencies and departments in State
10 government and among a diverse stakeholder community. The State
11 Workforce Development Board shall be managed by the Office.

12 (1) Purpose. The purposes of the Office of Workforce Innovation
13 include:

14 (A) interagency coordination around Governor’s work force agenda;

15 (B) serving as the developer and holder of a statewide work force
16 development plan, including supporting the work of the State Workforce
17 Development Board and contracting with outside process entities as needed to
18 help convene all system actors;

19 (C) occasionally convening stakeholders;

20 (D) connecting to National Governors Association best practices
21 research;

1 (E) endeavoring to have practices implemented throughout the
2 system;

3 (F) coordinating across State entities to ensure well-coordinated State
4 responses and programs to carry out Governor’s work force agenda;

5 (G) overseeing service delivery by State employees and outside
6 contracts at the local and regional levels;

7 (H) ensuring interagency communication;

8 (I) coordination and collaboration to break down silos and to
9 maximize communication flow; and

10 (J) collaborating with State-level organizations, service providers,
11 and educational institutions.

12 (2) Personnel. The Director of the Office of Workforce Innovation is
13 created. There shall be two full-time exempt staff to accomplish the duties of
14 the Office. One of these staff positions shall be the current Executive Director
15 of the State Workforce Developmental Board.

16 (3) Duties. The Director of the Office of the Workforce Innovation
17 shall:

18 (A) lead Workforce Development and Expansion for the State;

19 (B) provide interagency coordination and strategic and
20 comprehensive policy leadership for the purpose of workforce development,
21 expansion, training, and education in the State;

1 (C) determine where Adult CTE should live and how it should be
2 financed; and

3 (D) complete a feasibility study to assess creating a recyclable and
4 outcome-based funding mechanism to deploy State workforce training funding
5 for re- and up- skilling individuals in strategic sectors and submit findings and
6 recommendations in a report to the Vermont Workforce Development Board;

7 (E) perform any other duties that are relevant based on the purpose of
8 this section.

9 (4) Coordination. The Office shall convene interagency and State-level
10 service provider partners, coordinate State-level workforce information
11 collection and distribution, establish interagency working agreements, manage
12 the State Workforce Development Board, and consider other improvements to
13 the structure, coordination, and collaboration of the workforce development
14 system in general. This may include creating a Vermont workforce
15 development network.

16 (5) Implementation.

17 (A) The Office of Workforce Innovation shall be established as of
18 July 1, 2022.

19 (B) On or before January 15, 2023, the Office shall submit an interim
20 report to the House Committee on Commerce and Economic Development and
21 Senate Committee on Economic Development, Housing and General Affairs

1 proposing goals and metrics to measure, and action steps to accomplish, how
2 the Office can effectively coordinate the workforce development system and
3 improve workforce development conditions in this State relative to the data
4 points specified in subsection (a) of this section.

5 (C) On or before December 1, 2023, the Office shall submit a final
6 report to the House Committee on Commerce and Economic Development and
7 Senate Committee on Economic Development, Housing and General Affairs
8 that addresses its performance relative to the goals, metrics, and action items it
9 has adopted, and that includes findings and any recommendations for
10 legislative action concerning the workforce development system.

11 (6) Appropriation. The amount of \$1,000,000.00 is appropriated from
12 the General Fund to create the Office and perform its duties.

13 Sec. 5a. REGIONAL WORKFORCE EXPANSION SYSTEM

14 (a) Regional Workforce Expansion System. The amount of \$500,000.00 is
15 appropriated from the General Fund to the Department of Labor for a one-year
16 pilot program to launch and lead a coordinated regional system, beginning in
17 two regions of the State, to work toward accomplishing the following goals:

18 (1) increase local labor participation rate;

19 (2) decrease the number of open positions reported by local employers;

20 (3) increase the wages of workers as they transition to new jobs; and

1 (4) collect, organize, develop, and share information related to local
2 career pathways with workforce development partners.

3 (b) Duties. In order to meet the goals specified in subsection (b) of this
4 section, the Department shall:

5 (1) create new capacity to address and support State activities related to
6 workforce development, expansion, and alignment;

7 (2) focus on the overarching goal of helping workers find jobs and
8 employers find workers;

9 (3) support employers in communicating and tailoring their work
10 requirements, conditions, and expectations to better access local workers; and

11 (4) collaborate with local education and training providers and regional
12 workforce partners to create and regularly distribute data related to local labor
13 force supply and demand.

14 (c) System infrastructure. The Department shall make investments that
15 improve and expand regional capacity to strengthen networks who assist
16 jobseekers, workers, and employers in connecting.

17 (1) The Department is authorized to create three classified, one-year
18 limited-service positions, with funding allocated to perform the work described
19 in this section, who shall report to the Workforce Development Division and of
20 whom:

1 (A) two shall be Workforce Expansion Specialists assigned, one
2 each, to two different regions of the State; and

3 (B) one shall provide oversight and State-level coordination of
4 activities.

5 (2)(A) The Department shall use funds allocated to develop systems for
6 coordination, information sharing, and enhanced support to regional partners,
7 host regional meetings, develop regional plans, and provide localized resources
8 including labor market information, training and development opportunities,
9 and support services.

10 (B) The Department shall develop labor market information reports
11 to support discussion and decision making that will address local labor market
12 challenges and opportunities and support a regional approach to solving local
13 or unique labor supply challenges.

14 (e) Interim report. On or before January 15, 2023, the Department shall
15 provide a narrative update on the progress made in hiring staff, establishing
16 interagency agreements, developing regional information exchange systems,
17 and supporting State-level work to expand the labor force to the House and
18 Senate committees of jurisdiction.

19 (f) Implementation. The Department of Labor shall begin implementing
20 the Regional Workforce Expansion System on or before July 1, 2022.

1 Sec. 6. INCARCERATED INDIVIDUALS; WORKFORCE
2 DEVELOPMENT; PILOT PROGRAM

3 (a) Purpose. The purpose of this section is to facilitate the education and
4 vocational training of incarcerated individuals so that they have a greater
5 likelihood of obtaining gainful employment and positively contributing to
6 society upon reintegration into the community.

7 (b) Policy; appropriations.

8 (1)(A) In fiscal year 2023, the amount of \$420,000.00 is appropriated
9 from the General Fund to the Department of Corrections, in consultation with
10 the Vermont Department of Labor, to address education and vocational
11 enhancement needs. These funds shall not be allocated from any amounts
12 budgeted for Justice Reinvestment II initiatives.

13 (B) The Department shall use the funds allocated for the development
14 of education and vocational training for incarcerated individuals residing in a
15 Vermont correctional facility prior to community reintegration. The
16 Department may allocate the funds over three years, consistent with the
17 following:

18 (i) \$270,000.00 for transition development, including equipment
19 and mobile labs in one or more sites;

20 (ii) \$100,000.00 for training partner support; and

21 (iii) \$50,000.00 for curriculum development.

1 (2) In fiscal year 2023, the amount of \$300,000.00 is appropriated from
2 the General Fund to the Department of Corrections, which may be allocated
3 over not more than three years, to establish a community-based pilot reentry
4 program at the Chittenden Regional Correctional Facility in consultation with
5 the Vermont Department of Labor. The Department of Corrections shall
6 designate a service provider to administer the pilot program’s goals to:

7 (A) provide continuity of services for incarcerated individuals;

8 (B) expand current employment readiness programs within the
9 facility by building pathways for coordinated transition to employment;

10 (C) focus on the first six months after individuals are released from
11 the facility;

12 (D) coordinate with local community resources, parole and probation
13 offices, and other supports to ensure successful transition into the community;

14 (E) assist individuals in successfully transitioning into new jobs; and

15 (F) work with employers to support successful hiring and best
16 practices to support incarcerated individuals.

17 (c) Report. On or before January 15, 2023, the Department of Corrections
18 shall create and submit a report on workforce and education training programs
19 in correctional facilities to the Joint Legislative Justice Oversight Committee;
20 the House Committees on Corrections and Institutions and on Commerce and

1 Economic Development; and the Senate Committees on Economic
2 Development, Housing and General Affairs and on Judiciary. The report shall:

3 (1) identify program design, logistical needs, and policy changes to
4 current Department of Corrections facility-based training and educational
5 programs necessary to successfully enable incarcerated individuals’
6 reintegration into their communities, including changes to programs that
7 enhance individuals’ skill development, knowledge, and other support needed
8 to qualify for and secure a position in a critical occupation in Vermont;

9 (2) identify disparities of outcomes and recommend solutions for
10 incarcerated Black, Indigenous, and Persons of Color concerning facility-based
11 training, educational programming, and successful community reintegration;

12 (3) provide an update on the Department of Corrections’ use of
13 education and vocational enhancement funding in fiscal year 2023;

14 (4) provide recommendations on what aspects of the pilot program
15 should be replicated in other correctional facilities in Vermont; and

16 (5) provide recommended legislation for the continuation of the pilot
17 program or any changes.

18 Sec. 7. INTENT

19 It is the intent of the General Assembly to improve the recruitment and
20 retention of correctional officers to ensure adequate staffing and safe working
21 conditions in facilities operated by the Department of Corrections.

1 Sec. 8. IMPROVEMENT OF CORRECTIONAL OFFICER
2 RECRUITMENT AND RETENTION; REPORT

3 (a) On or before January 15, 2023, the Secretary of Human Services, in
4 consultation with the Commissioners of Corrections and of Human Resources,
5 shall submit a written report to the House Committees on Appropriations, on
6 Commerce and Economic Development, on Corrections and Institutions, and
7 on Government Operations and the Senate Committees on Appropriations, on
8 Government Operations, and on Judiciary identifying conditions that pose an
9 obstacle to the successful recruitment and retention of correctional officers and
10 setting forth a plan to improve the recruitment and retention of correctional
11 officers.

12 (b)(1) The report shall specifically analyze the impact of the following on
13 the recruitment and retention of correctional officers:

14 (A) wages and benefits;

15 (B) terms and conditions of employment;

16 (C) working conditions in Department of Corrections facilities,
17 including health and safety issues and the physical condition of the facilities;

18 and

19 (D) staffing levels and overtime.

20 (2) The report shall, for each of the issues examined pursuant to
21 subdivision (1) of this subsection, analyze how the following states compare to

1 Vermont and shall identify any best practices in those states that could improve
2 recruitment and retention of correctional officers in Vermont:

3 (A) Maine;

4 (B) New Hampshire;

5 (C) New York;

6 (D) Massachusetts;

7 (E) Rhode Island; and

8 (F) Connecticut.

9 (c) The report shall, as part of the plan to improve the recruitment and
10 retention of correctional officers, identify specific administrative and
11 legislative actions that are necessary to successfully improve the recruitment
12 and retention of correctional officers.

13 Sec. 9. ASSESSMENT OF RECRUITMENT AND RETENTION

14 INITIATIVES; REPORT

15 (a) On or before January 15, 2023, the Secretary of Human Services, in
16 consultation with the Commissioner of Human Resources, shall submit to the
17 House and Senate Committees on Appropriations a report regarding the use of
18 funds appropriated pursuant to 2022 Acts and Resolves, No. 83:

19 (1) Sec. 14 for employee recruitment and retention at:

20 (A) the secure residential recovery facility; and

21 (B) the Vermont Psychiatric Care Hospital;

1 (2) Sec. 68 for employee retention with respect to:

2 (A) the Department of Corrections; and

3 (B) the Vermont Veteran’s Home; and

4 (3) Sec. 72 for workforce recruitment and retention incentives with
5 respect to designated and specialized service agencies, including shared living
6 providers.

7 (b) The report shall assess how effective the appropriations identified
8 pursuant to subsection (a) of this section were in addressing issues related to
9 employee recruitment and retention; identify any ongoing or remaining
10 employee recruitment and retention challenges that the recipients have; and
11 identify any potential legislative, administrative, or programmatic changes that
12 can address those ongoing or remaining employee retention issues.

13 (c) The report shall also include a recommendation as to whether and how
14 to appropriate additional funds in the 2023 Budget Adjustment Act to address
15 ongoing recruitment and retention challenges at:

16 (1) the Vermont Veteran’s Home;

17 (2) the Vermont Psychiatric Care Hospital;

18 (3) the secure residential recovery facility;

19 (4) designated and specialized service agencies; and

20 (5) the Department of Corrections’ facilities with respect to individuals
21 employed as a Correctional Officer I or a Correctional Officer II.

1 Sec. 10. REPEALS

2 10 V.S.A. §§ 544 and 545 are repealed.

3 Sec. 11. 10 V.S.A. § 547 is added to read:

4 § 547. WORK-BASED LEARNING AND TRAINING PROGRAM

5 (a) Vermont Work-Based Learning and Training Program. The

6 Department of Labor shall develop the statewide Work-Based Learning and

7 Training Program that serves transitioning secondary and postsecondary

8 students and Vermonters seeking work-based experience as part of a career

9 experience or change and is designed to:

10 (1) support Vermonters who are graduating from postsecondary

11 education or a secondary CTE program or who are pursuing a career change

12 with a paid on-the-job work experience lasting 12 weeks or fewer;

13 (2) establish a statewide platform available to all employers to list their

14 internships, returnships, pre-apprenticeships, and registered apprenticeship

15 opportunities and for jobseekers to view and access information about specific

16 opportunities; and

17 (3) support employers by providing them with assistance in developing

18 and implementing meaningful work-based learning and training opportunities.

1 (b) Definitions. As used in this section:

2 (1) “Internship” means a work-based learning experience with an
3 employer where the participant may, but does not necessarily, receive
4 academic credit.

5 (2) “Returnship” means an on-the-job learning experience for an
6 individual who is returning to the workforce after an extended absence or is
7 seeking a limited-duration on-the-job work experience in a different
8 occupation or occupational setting as part of a career change.

9 (c) Activities. The Department may use funds appropriated to it for the
10 Program to:

11 (1) build and administer the Program;

12 (2) develop an online platform that will connect students and jobseekers
13 with work-based learning and training opportunities within Vermont;

14 (3) support work-based learning and training opportunities with public
15 and private employers available to prospective workers located in or relocating
16 to Vermont;

17 (4) promote work-based learning and training as a valuable component
18 of a talent pipeline; and

19 (5) assist employers in developing meaningful work-based learning and
20 training opportunities.

1 (d) Data. The Department shall collect the following data:

2 (1) the total number of participants served;

3 (2) the number of participants who received wage assistance or other
4 financial assistance as part of this Program and their employment status one
5 year after completion;

6 (3) the average wage of participants in subdivision (2) of this subsection
7 at the start of the Program and the average wage of participants one year after
8 completion;

9 (4) the number of work-based learning or training opportunities listed on
10 the platform; and

11 (5) the number of employers who offered a work-based learning or
12 training opportunity.

13 (e) State participation. The Department shall engage appropriate State
14 agencies and departments to expand Program opportunities with State
15 government and with entities awarded State contracts.

16 (f) Reporting. On or before February 15, 2023, the Department shall report
17 Program data to the relevant committees of jurisdiction.

18 Sec. 12. WORK-BASED LEARNING AND TRAINING PROGRAM;

19 APPROPRIATION

20 In fiscal year 2023, the amount of \$1,500,000.00 is appropriated from the
21 General Fund to the Department of Labor to implement the Vermont Work-

1 Based Learning and Training Program created in Sec. 11 of this act. Of this
2 amount, the Department may use not more than \$100,000.00 for the cost of
3 administration.

4 Sec. 13. [Reserved.]

5 Sec. 14. THE VERMONT TRADES SCHOLARSHIP PROGRAM

6 (a) The Vermont Trades Scholarship Program is created and shall be
7 administered by the Vermont Student Assistance Corporation. The Vermont
8 Student Assistance Corporation shall disburse initial licensing fees, exam fees,
9 and tuition payments under the Program on behalf of eligible individuals,
10 subject to the appropriation of funds by the General Assembly for this purpose.

11 (b) To be eligible for a scholarship under the Program, an individual,
12 whether a resident or nonresident, shall:

13 (1) be enrolled in an industry-recognized training and certification
14 program that leads to initial employment or career advancement in a building,
15 mechanical, industrial, or medical trade; emergency services, including
16 paramedics; energy; transportation; broadband; or robotics; or other high
17 demand sector;

18 (2) demonstrate financial need;

19 (3) register with the Vermont Department of Labor for the purpose of
20 receiving relevant job referrals, if unemployed; and

1 (4) agree to work in their profession in Vermont for a minimum of one
2 year following licensure or certification completion for each year of
3 scholarship awarded.

4 (c)(1) The Corporation shall give preference to students attending a
5 Vermont-based training program or, if one isn't available for their certification,
6 an offer of employment or promotion from a Vermont employer upon
7 completion.

8 (2) The Corporation shall give priority to applicants who have not
9 received other assistance.

10 (d) There shall be no deadline to apply for a scholarship under this section.
11 Scholarships shall be awarded on a rolling basis if funds are available, and any
12 funds remaining at the end of a fiscal year shall roll over and shall be available
13 to the Vermont Student Assistance Corporation in the following fiscal year to
14 award additional scholarships as set forth in this section.

15 (e) In fiscal year 2023 the amount of \$3,500,000.00 is appropriated from
16 the General Fund to the Vermont Student Assistance Corporation for
17 scholarships for trades students under the Vermont Trades Scholarship
18 Program.

19 Sec. 15. EMERGENCY MEDICAL SERVICES; OUTREACH

20 The Department of Health, the Department of Labor, and the Vermont
21 Student Assistance Corporation shall coordinate outreach efforts to ensure that

1 emergency service personnel are aware of, and able to access, the opportunities
2 for professional development available through programs in this act.

3 Sec. 16. CTE CONSTRUCTION AND REHABILITATION

4 EXPERIENTIAL LEARNING PROGRAM; REVOLVING LOAN
5 FUND

6 (a) Purpose. This section authorizes and provides funding for the CTE
7 Construction and Rehabilitation Experiential Learning Program and Revolving
8 Loan Fund, the purposes of which are to:

9 (1) expand the experiential and educational opportunities for high school
10 and adult CTE students to work directly on construction projects;

11 (2) build community partnerships among CTE centers, housing
12 organizations, government, and private businesses;

13 (3) beautify communities and rehabilitate buildings that are
14 underperforming assets;

15 (4) expand housing access to Vermonters in communities throughout the
16 State; and

17 (5) improve property values while teaching high school and adult
18 students trade skills.

19 (b) Appropriation; creation of fund; administration. Notwithstanding
20 16 V.S.A. § 4025(d):

1 (1) In fiscal year 2023, the amount of \$10,000,000.00 is appropriated
2 from the Education Fund to the Vermont Housing and Conservation Board to
3 create and administer the CTE Construction and Rehabilitation Experiential
4 Learning Program and Revolving Loan Fund pursuant to this section.

5 (2) The Board may use not more than five percent of the Fund for its
6 costs of administration.

7 (c) Proposals; applications; funding.

8 (1) A regional CTE center, working in collaboration with one or more
9 housing and community partners, private businesses, nonprofit organizations,
10 or municipalities, shall identify construction projects that would be relevant
11 and appropriate for CTE students enrolled in construction, electrical,
12 plumbing, design, business management, or other CTE programs.

13 (2) Prior to or during the application process, a CTE center and its
14 partners shall consult with the Board and other organizations to identify and
15 consider potential funding partners to leverage amounts available through the
16 Fund.

17 (3) A CTE center and its partners shall apply to the Board for funding
18 by submitting a project application that includes the information required by
19 the Board and addresses the following:

20 (A) the educational benefits for students and fit with the CTE
21 curriculum;

1 (B) the community benefits for the neighborhood, municipality, or
2 region in which the project is located; and

3 (C) the partners with whom the CTE center is collaborating and the
4 respective responsibility for the aspects of a project, including:

5 (i) educational instruction and academic credit;

6 (ii) project management;

7 (iii) insurance coverage for students and the property;

8 (iv) compensation and benefits, including compliance with labor
9 laws, standards, and practices; and

10 (v) property acquisition, ownership, and transfer.

11 (4) A CTE center may use funding for, and shall specify in its
12 application the allocation of costs associated with:

13 (A) acquisition, design, permitting, construction, marketing, and
14 other building-related expenses; and

15 (B) costs for labor, including for student wages and for instructor
16 compensation during the academic year as well as for summer or other work
17 that is not otherwise budgeted during the academic year.

18 (d) Eligibility; review; approval. The Board may approve an application
19 that includes the information required by subsection (c) of this section and
20 provide funding for a project that meets the following eligibility criteria:

1 (1) The project involves the rehabilitation of one of the following types
2 of property that require repair and improvement:

3 (A) blighted or otherwise non-code-compliant residential property
4 that results in a building with not more than four dwelling units that are
5 affordable to seniors, households with lower income, or other communities that
6 need access to affordable housing;

7 (B) municipal facilities;

8 (C) school buildings or related educational facilities; or

9 (D) commercial construction projects that have substantial
10 community benefit.

11 (2) The project includes a weatherization component.

12 (3) Students working on the project receive academic credit, a
13 competitive wage, or both.

14 (e) Affordability; flexibility. If appropriate in the circumstances, the Board
15 shall condition funding for a project on the inclusion of one or mechanisms
16 addressing the affordability of the property upon rent or sale.

17 (f) Funding; proceeds; revolving loans.

18 (1) The Board shall provide funding for projects from the amounts
19 available in the Fund in the form of zero-interest loans, in an amount, for a
20 period, and upon terms specified by the Board.

1 (2) If a completed project results in a gain for a CTE center, upon the
2 sale or transfer of a completed project, or upon completion of any
3 rehabilitation work, the CTE center shall return any loan proceeds and any
4 profits realized to the Board to provide funding for future projects through the
5 Fund.

6 (3) If a completed project results in a loss for the CTE center, upon the
7 sale or transfer of a completed project, or upon completion of any
8 rehabilitation work, the Board shall hold the CTE center harmless for the
9 amount of the loss and the CTE center shall return any remaining loan funds to
10 the Board to provide funding for future projects through the Fund.

11 (g) Eligible CTE Center. For purposes of the Program, an existing
12 alternative technical education provider that receives funding from the
13 Education Fund may participate in the Program if:

14 (1) the regional CTE Center for a region chooses not to participate in the
15 Program; and

16 (2) the alternative technical education provider can offer a comparable
17 educational opportunity through the Program for technical students in that
18 region.

19 (h) Report. The Board shall address the implementation of this section in
20 its annual report to the General Assembly.

1 Sec. 17. [Reserved.]

2 Sec. 18. AGENCY OF HUMAN SERVICES; EMPLOYEE EDUCATION
3 PROGRAMS

4 On or before January 15, 2023, the Agency of Human Services shall
5 catalogue all educational programs and opportunities it makes available to its
6 employees, including identifying which programs and opportunities are offered
7 to which employees, and report those findings to the House Committees on
8 Health Care and on Human Services and the Senate Committee on Health and
9 Welfare.

10 Sec. 19. HEALTH CARE WORKFORCE; LEGISLATIVE INTENT

11 (a) The General Assembly values all health care workers, at every level and
12 in each component of the health care system. The General Assembly also
13 acknowledges the many struggles faced by health care workers and that the
14 pandemic has placed further strain on an already taxed system. Many health
15 care workers have not had their pay adjusted over time to address increases in
16 the cost of living, essentially amounting to pay cuts from year to year. Health
17 care workers have experienced burnout, trauma, and moral injuries due to a
18 history of underfunding and the present stress of the pandemic. In addition, the
19 combination of the pandemic and continued health care workforce shortages
20 has created an unsustainable reliance on traveling nurses that must be
21 addressed.

1 (b) In order to retain and recruit health care workers in Vermont, it is the
2 intent of the General Assembly to invest in multiple solutions aimed at
3 reinforcing our health care workforce in the present and sustaining our health
4 care workers into the future.

5 Sec. 20. EMERGENCY GRANTS TO SUPPORT NURSE FACULTY AND
6 STAFF

7 (a) In fiscal year 2023 the amount of \$1,000,000.00 is appropriated from
8 the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery
9 Funds to the Department of Health and shall carry forward for the purpose of
10 providing emergency interim grants to Vermont’s nursing schools over two
11 years to increase the compensation for their nurse faculty and staff, with
12 \$500,000.00 to be distributed in each of fiscal years 2023 and 2024 to increase
13 the compensation for each full-time-equivalent (FTE) member of the clinical
14 and didactic nurse faculty and staff. The Department shall distribute the funds
15 among the nursing schools in Vermont equitably based on each school’s
16 proportion of nursing faculty and staff to the total number of FTE nursing
17 faculty and staff across all nursing schools statewide.

18 (b) If the nurse faculty or staff, or both, of a nursing school receiving a
19 grant under this section are subject to a collective bargaining agreement, the
20 use of the grant funds provided to the nursing school for those faculty or staff,
21 or both, shall be subject to impact bargaining between the nursing school and

1 the collective bargaining representative of the nurse faculty or staff, or both, to
2 the extent required by the applicable collective bargaining agreement.

3 Sec. 21. NURSE PRECEPTOR INCENTIVE GRANTS; HOSPITALS;
4 WORKING GROUP; REPORT

5 (a)(1) In fiscal year 2023 the amount of \$1,400,000.00 is appropriated from
6 the General Fund to the Agency of Human Services to provide incentive grants
7 to hospital-employed nurses in Vermont to serve as preceptors for nursing
8 students enrolled in Vermont nursing school programs. The Agency shall
9 distribute the funds to hospitals employing nurses who provide student
10 preceptor supervision based on the number of preceptor hours to be provided,
11 at a rate of \$5.00 per preceptor hour, or a lesser hourly rate if the need exceeds
12 the available funds. The Agency shall prioritize funding for hospitals that
13 provide matching funds for additional preceptor compensation or that commit
14 to providing future compensation and support to expanding the number of
15 preceptors.

16 (2) If nurse preceptors receiving compensation pursuant to a grant
17 awarded to a hospital under this section are subject to a collective bargaining
18 agreement, the use of the grant funds provided to the hospital for the nurse
19 preceptors shall be subject to impact bargaining between the hospital and the
20 collective bargaining representative of the nurses to the extent required by the
21 collective bargaining agreement.

1 (b)(1) The Director of Health Care Reform or designee in the Agency of
2 Human Services shall convene a working group of stakeholders representing
3 nursing schools, the Vermont Area Health Education Centers, long-term care
4 facilities, designated and specialized service agencies, federally qualified
5 health centers, home health agencies, primary care practices, and other health
6 care facilities to:

7 (A) identify ways to increase clinical placement opportunities across
8 a variety of health care settings for nursing students enrolled in Vermont
9 nursing school programs, including exploring opportunities for participation
10 through remote means;

11 (B) establish sustainable funding models for compensating nurses
12 -serving as preceptors or for supporting the hiring of additional nurses to
13 alleviate the pressures on nurse preceptors, or both; and

14 (C) develop an action plan for implementing the clinical placement
15 expansion and sustainable funding models identified and established pursuant
16 to subdivisions (A) and (B) of this subdivision (1), including addressing the
17 need for student housing opportunities.

18 (2) On or before January 15, 2023, the Director of Health Care Reform
19 shall provide the working group’s action plan and any recommendations for
20 legislative action to the House Committees on Health Care, on Commerce and
21 Economic Development, and on Appropriations and the Senate Committees on

1 Health and Welfare, on Economic Development, Housing and General Affairs,
2 and on Appropriations.

3 Sec. 22. HEALTH CARE EMPLOYER NURSING PIPELINE AND
4 APPRENTICESHIP PROGRAM

5 (a) In fiscal year 2023 the amount of \$2,000,000.00 is appropriated from
6 the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery
7 Funds to the Vermont State College System and shall carry forward for the
8 purpose of providing grants to health care employers, including hospitals,
9 long-term care facilities, designated and specialized service agencies, federally
10 qualified health centers, and other health care providers, to establish or expand
11 partnerships with Vermont nursing schools to create nursing pipeline or
12 apprenticeship programs, or both, that will train members of the health care
13 employers' existing staff, including personal care attendants, licensed nursing
14 assistants, and licensed practical nurses, to become higher-level nursing
15 professionals. Through a combination of scholarship awards, grants awarded
16 to health care employers pursuant to this section, and the health care
17 employer's contributions, the trainees' tuition and fees shall be covered in full.

1 and trainees shall be provided with assistance in meeting their living costs,
2 such as housing and child care, while attending the program.

3 (b) In awarding grants pursuant to this section, the Vermont State College
4 System shall give priority to health care employer proposals based on the
5 following criteria:

6 (1) the extent to which the health care employer proposes to participate
7 financially in the program;

8 (2) the extent of the health care employer's commitment to sustaining
9 the program financially, including providing financial support for nurse
10 preceptors, to create ongoing opportunities for educational advancement in
11 nursing;

12 (3) the ability of the health care employer's staff to leverage nursing
13 scholarship opportunities to maximize the reach of the grant funds;

14 (4) the employer's demonstrated ability to retain nursing students in the
15 Vermont nursing workforce;

16 (5) the employer's geographic location, in order to ensure access to
17 pipeline and apprenticeship programs for nursing staff across Vermont; and

18 (6) the employer's commitment to advancing the professional
19 development of individuals from marginalized communities, especially those
20 that have been historically disadvantaged in accessing educational
21 opportunities and career advancement in the health care professions.

1 (c)(1) The Vermont State College System shall begin awarding grants
2 under this section expeditiously in order to enable health care employer staff to
3 begin enrolling in nursing school programs that commence in the fall of 2022.

4 (2) On or before September 15, 2022, the Vermont State College System
5 shall provide an update to the Health Reform Oversight Committee on the
6 status of program implementation.

7 Sec. 23. 18 V.S.A. § 34 is added to read:

8 § 34. VERMONT NURSING FORGIVABLE LOAN INCENTIVE
9 PROGRAM

10 (a) As used in this section:

11 (1) “Corporation” means the Vermont Student Assistance Corporation
12 established in 16 V.S.A. § 2821.

13 (2) “Eligible individual” means an individual who satisfies the eligibility
14 requirements under this section for a forgivable loan.

15 (3) “Eligible school” means an approved postsecondary education
16 institution, as defined under 16 V.S.A. § 2822.

17 (4) “Forgivable loan” means a loan awarded under this section covering
18 tuition, which may also include room, board, and the cost of required books
19 and supplies for up to full-time attendance at an eligible school.

20 (5) “Gift aid” means grant or scholarship financial aid received from the
21 federal government or from the State.

1 (6) “Program” means the Vermont Nursing Forgivable Loan Incentive
2 Program created under this section.

3 (b) The Vermont Nursing Forgivable Loan Incentive Program is created
4 and shall be administered by the Department of Health in collaboration with
5 the Corporation. The Program provides forgivable loans to students enrolled
6 in an eligible school who commit to working as a nurse in this State and who
7 meet the eligibility requirements in subsection (d) of this section.

8 (c) The Corporation shall disburse forgivable loan funds under the Program
9 on behalf of eligible individuals, subject to the appropriation of funds by the
10 General Assembly for this purpose.

11 (d) To be eligible for a forgivable loan under the Program, an individual,
12 whether a resident or nonresident, shall satisfy all of the following
13 requirements:

14 (1) be enrolled at a nursing program at an eligible school;

15 (2) demonstrate financial need;

16 (3) maintain good standing at the eligible school at which the individual
17 is enrolled;

18 (4) agree to work as a nurse in Vermont directly for a Vermont health
19 care provider for a minimum of one year following licensure for each year of
20 forgivable loan awarded.

1 (5) have executed a credit agreement or promissory note that will reduce
2 the individual’s forgivable loan benefit, in whole or in part, pursuant to
3 subsection (g) of this section, if the individual fails to complete the period of
4 service required in this subsection;

5 (6) have provided such other documentation as the Corporation may
6 require; and

7 (7) have completed the Program’s application form, the free application
8 for federal student aid (FAFSA), and the Vermont grant application each
9 academic year of enrollment in accordance with a schedule determined by the
10 Corporation.

11 (e)(1) First priority for forgivable loan funds shall be given to students
12 pursuing a practical nursing certificate who will be eligible to sit for the
13 NCLEX-PN examination upon completion of the certificate.

14 (2) Second priority for forgivable loan funds shall be given to students
15 pursuing an associate’s degree in nursing who will be eligible to sit for the
16 NCLEX-RN examination upon graduation.

17 (3) Third priority for forgivable loan funds shall be given to students
18 pursuing a bachelor of science degree in nursing.

19 (4) Fourth priority shall be given to students pursuing graduate nursing
20 education.

1 (f) In addition to the priorities established in subsection (e) of this section:

2 (1) Vermont residents attending an eligible school in Vermont shall
3 receive first priority for forgivable loans;

4 (2) Vermont residents attending an eligible school in another state shall
5 receive second priority for forgivable loans;

6 (3) Nonresidents attending an eligible school in Vermont shall receive
7 third priority for forgivable loans; and

8 (4) Nonresidents attending an eligible school in another state shall
9 receive fourth priority for forgivable loans.

10 (g) If an eligible individual fails to serve as a nurse in this State for a period
11 that would entitle the individual to the full forgivable loan benefit received by
12 the individual, other than for good cause as determined by the Corporation in
13 consultation with the Vermont Department of Health, then the individual shall
14 receive only partial loan forgiveness for a pro rata portion of the loan pursuant
15 to the terms of the interest-free credit agreement or promissory note signed by
16 the individual at the time of entering the Program.

17 (h) There shall be no deadline to apply for a forgivable loan under this
18 section. Forgivable loans shall be awarded on a rolling basis as long as funds
19 are available, and any funds remaining at the end of a fiscal year shall roll over
20 and shall be available to the Department of Health and the Corporation in the

1 following fiscal year to award additional forgivable loans as set forth in this
2 section.

3 (i) The Corporation shall adopt policies, procedures, and guidelines
4 necessary to implement the provisions of this section, including maximum
5 forgivable loan amounts.

6 Sec. 24. REPEAL

7 18 V.S.A. § 31 (educational assistance; incentives; nurses) is repealed.

8 Sec. 25. VERMONT NURSING FORGIVABLE LOAN INCENTIVE
9 PROGRAM; APPROPRIATION

10 In fiscal year 2023, the amount of \$100,000.00 in General Fund investment
11 funds is appropriated to the Department of Health for forgivable loans for
12 nursing students under the Vermont Nursing Forgivable Loan Incentive
13 Program established in Sec. 23 of this act.

14 Sec. 26. 18 V.S.A. § 35 is added to read:

15 § 35. VERMONT CARE PROFESSIONAL LOAN REPAYMENT

16 PROGRAM

17 (a) As used in this section:

18 (1) “AHEC” means the Vermont Area Health Education Centers
19 program.

20 (2) “Eligible individual” means an individual who satisfies the eligibility
21 requirements for loan repayment under this section.

1 (3) “Eligible school” means an approved postsecondary education
2 institution, as defined under 16 V.S.A. § 2822.

3 (4) “Loan repayment” means the cancellation and repayment of loans
4 under this section.

5 (5) “Loans” means education loans guaranteed, made, financed,
6 serviced, or otherwise administered by an accredited educational lender for
7 attendance at an eligible school.

8 (6) “Program” means the Vermont Health Care Professional Loan
9 Repayment Program created under this section.

10 (b) The Vermont Health Care Professional Loan Repayment Program is
11 created and shall be administered by the Department of Health in collaboration
12 with AHEC. The Program provides loan repayment on behalf of individuals
13 who live and work in this State as a health care professional, including as a
14 nurse, physician assistant, dental hygienist, medical technician, primary care
15 provider, child psychiatrist, general surgeon, emergency medical service
16 professional, paramedic, or in another field experiencing a health care
17 workforce shortage and who meet the eligibility requirements in subsection (d)
18 of this section.

19 (c) The loan repayment benefits provided under the Program shall be paid
20 on behalf of the eligible individual by AHEC, subject to the appropriation of
21 funds by the General Assembly specifically for this purpose.

1 (d) To be eligible for loan repayment under the Program, an individual
2 shall satisfy all of the following requirements:

3 (1) have graduated from an eligible school where the individual was
4 awarded a degree in a field experiencing a health care workforce shortage in
5 this State;

6 (2) work in this State as a nurse, physician assistant, dental hygienist,
7 medical technician, primary care provider, child psychiatrist, general surgeon,
8 emergency medical service professional, paramedic, or in another field
9 experiencing a health care workforce shortage; and

10 (3) be a resident of Vermont.

11 (e)(1) An eligible individual shall be entitled to an amount of loan
12 cancellation and repayment under this section equal to one year of loans for
13 each year of service as a health care professional in this State.

14 (2) AHEC shall award loan repayments in amounts that are sufficient to
15 attract high-quality candidates while also making a meaningful increase in
16 Vermont's health care professional workforce. AHEC shall prioritize awards
17 to candidates working in fields in which Vermont is experiencing the greatest
18 health care workforce shortages.

1 Sec. 27. VERMONT HEALTH CARE PROFESSIONAL LOAN
2 REPAYMENT PROGRAM; APPROPRIATION

3 In fiscal year 2023 the amount of \$3,000,000.00 is appropriated from the
4 General Fund to the Department of Health for loan repayment for health care
5 professionals under the Vermont Health Care Professional Loan Repayment
6 Program established in Sec. 26 of this act.

7 Sec. 28. 18 V.S.A. § 36 is added to read:

8 § 36. NURSE FACULTY FORGIVABLE LOAN INCENTIVE PROGRAM

9 (a) As used in this section:

10 (1) “Corporation” means the Vermont Student Assistance Corporation
11 established in 16 V.S.A. § 2821.

12 (2) “Eligible individual” means an individual who satisfies the eligibility
13 requirements under this section for a forgivable loan.

14 (3) “Eligible school” means an approved postsecondary education
15 institution, as defined under 16 V.S.A. § 2822.

16 (4) “Forgivable loan” means a loan awarded under this section covering
17 tuition, which may also cover room, board, and the cost of required books and
18 supplies for up to full-time attendance at an eligible school.

19 (5) “Gift aid” means grant or scholarship financial aid received from the
20 federal government or from the State.

1 (6) “Nurse faculty member” or “member of the nurse faculty” means an
2 individual with a master’s or doctoral degree that qualifies the individual to
3 teach at a nursing school in this State.

4 (7) “Program” means the Nurse Faculty Forgivable Loan Program
5 created under this section.

6 (b) The Nurse Faculty Forgivable Loan Program is created and shall be
7 administered by the Department of Health in collaboration with the
8 Corporation. The Program provides forgivable loans to students enrolled in an
9 eligible school who commit to working as a member of the nurse faculty at a
10 nursing school in this State and who meet the eligibility requirements in
11 subsection (d) of this section.

12 (c) The Corporation shall disburse forgivable loan funds under the Program
13 on behalf of eligible individuals, subject to the appropriation of funds by the
14 General Assembly specifically for this purpose.

15 (d) To be eligible for a forgivable loan under the Program, an individual,
16 whether a resident or nonresident, shall satisfy all of the following
17 requirements:

18 (1) be enrolled at an eligible school in a program that leads to a graduate
19 degree in nursing;

20 (2) maintain good standing at the eligible school at which the individual
21 is enrolled;

1 (3) agree to work as member of the nurse faculty at a nursing school in
2 Vermont for a minimum of one year following licensure for each year of
3 forgivable loan awarded.

4 (4) have executed a credit agreement or promissory note that will reduce
5 the individual's forgivable loan benefit, in whole or in part, pursuant to
6 subsection (e) of this section if the individual fails to complete the period of
7 service required in subdivision (3) of this subsection;

8 (5) have completed the Program's application form and the free
9 application for federal student aid (FAFSA) in accordance with a schedule
10 determined by the Corporation; and

11 (6) have provided such other documentation as the Corporation may
12 require.

13 (e) If an eligible individual fails to serve as a nurse faculty member at a
14 nursing school in this State for a period that would entitle the individual to the
15 full forgivable loan benefit received by the individual, other than for good
16 cause as determined by the Corporation in consultation with the Vermont
17 Department of Health, then the individual shall receive only partial loan
18 forgiveness for a pro rata portion of the loan pursuant to the terms of the
19 interest-free reimbursement promissory note signed by the individual at the
20 time of entering the Program.

1 (f) The Corporation shall adopt policies, procedures, and guidelines
2 necessary to implement the provisions of this section, including maximum
3 forgivable loan amounts.

4 Sec. 29. NURSE FACULTY FORGIVABLE LOAN

5 PROGRAM; APPROPRIATION

6 In fiscal year 2023, the amount of \$500,000.00 is appropriated from the
7 American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery
8 Funds to the Department of Health for forgivable loans for nurse faculty
9 members under the Nurse Faculty Forgivable Loan Program established in Sec.
10 28 of this act.

11 Sec. 29a. 18 V.S.A. § 37 is added to read:

12 § 37. NURSE FACULTY LOAN REPAYMENT PROGRAM

13 (a) As used in this section:

14 (1) “AHEC” means the Vermont Area Health Education Centers
15 program.

16 (2) “Eligible individual” means an individual who satisfies the eligibility
17 requirements under this section for loan repayment.

18 (3) “Eligible school” means an approved postsecondary education
19 institution, as defined under 16 V.S.A. § 2822.

20 (4) “Gift aid” means grant or scholarship financial aid received from the
21 federal government or from the State.

1 (5) “Loan repayment” means the cancellation and repayment of loans
2 under this section.

3 (6) “Loans” means education loans guaranteed, made, financed,
4 serviced, or otherwise administered by an accredited educational lender for
5 attendance at an eligible school.

6 (7) “Nurse faculty member” or “member of the nurse faculty” means a
7 nurse with a master’s or doctoral degree that qualifies the individual to teach at
8 a nursing school in this State.

9 (8) “Program” means the Nurse Faculty Loan Repayment Program
10 created under this section.

11 (b) The Nurse Faculty Loan Repayment Program is created and shall be
12 administered by the Department of Health in collaboration with AHEC. The
13 Program provides loan repayment on behalf of individuals who work as nurse
14 faculty members at a nursing school in this State and who meet the eligibility
15 requirements in subsection (d) of this section.

16 (c) The loan repayment benefits provided under the Program shall be paid
17 on behalf of the eligible individual by AHEC, subject to the appropriation of
18 funds by the General Assembly specifically for this purpose.

19 (d) To be eligible for loan repayment under the Program, an individual
20 shall satisfy all of the following requirements:

1 (1) graduated from an eligible school where the individual was awarded
2 a graduate degree in nursing;

3 (2) work as a member of the nurse faculty at a nursing school in this
4 State; and

5 (3) be a resident of Vermont.

6 (e) An eligible individual shall be entitled to an amount of loan cancellation
7 and repayment under this section equal to one year of loans for each year of
8 service as a member of the nurse faculty at a nursing school in this State.

9 Sec. 29b. NURSE FACULTY LOAN REPAYMENT PROGRAM;

10 APPROPRIATION

11 In fiscal year 2023, the amount of \$500,000.00 is appropriated from the
12 American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery
13 Funds to the Department of Health for loan repayment for nurse faculty
14 members under the Nurse Faculty Loan Repayment Program established in
15 Sec. 29a of this act.

16 Sec. 29c. 18 V.S.A. § 38 is added to read:

17 § 38. VERMONT MENTAL HEALTH PROFESSIONAL FORGIVABLE

18 LOAN INCENTIVE PROGRAM

19 (a) As used in this section:

20 (1) “Corporation” means the Vermont Student Assistance Corporation
21 established in 16 V.S.A. § 2821.

1 (2) “Eligible individual” means an individual who satisfies the eligibility
2 requirements under this section for a forgivable loan.

3 (3) “Eligible school” means a school in the Vermont State College
4 System.

5 (4) “Forgivable loan” means a loan awarded under this section covering
6 tuition, which may also cover room, board, and the cost of required books and
7 supplies for up to full-time attendance at an eligible school.

8 (5) “Gift aid” means grant or scholarship financial aid received from the
9 federal government or from the State.

10 (6) “Program” means the Vermont Mental Health Professional
11 Forgivable Loan Incentive Program created under this section.

12 (b) The Vermont Mental Health Professional Forgivable Loan Incentive
13 Program is created and shall be administered by the Department of Health in
14 collaboration with the Corporation. The Program provides forgivable loans to
15 students enrolled in a master’s program at an eligible school who commit to
16 working as a mental health professional in this State and who meet the
17 eligibility requirements in subsection (d) of this section.

18 (c) The Vermont Student Assistance Corporation shall disburse forgivable
19 loan funds under the Program on behalf of eligible individuals, subject to the
20 appropriation of funds by the General Assembly for this purpose.

1 (d) To be eligible for a forgivable loan under the Program, an individual,
2 whether a resident or nonresident, shall satisfy all of the following
3 requirements:

4 (1) be enrolled at a school in this State in a program, whether through
5 in-person or remote instruction, that leads to a master’s degree in a mental
6 health field;

7 (2) maintain good standing at the eligible school at which the individual
8 is enrolled;

9 (3) have used any available gift aid;

10 (4) agree to work as a mental health professional in Vermont for a
11 minimum of one year following licensure for each year of forgivable loan
12 awarded;

13 (5) have executed a credit agreement or promissory note that will reduce
14 the individual’s forgivable loan benefit, in whole or in part, pursuant to
15 subsection (e) of this section if the individual fails to complete the period of
16 service required in subdivision (4) of this subsection;

17 (6) have completed the Program’s application form and the free
18 application for federal student aid (FAFSA) in accordance with a schedule
19 determined by the Corporation; and

20 (7) have provided such other documentation as the Corporation may
21 require.

1 (e) If an eligible individual fails to serve as a mental health professional in
2 this State in compliance with the Program for a period that would entitle the
3 individual to the full forgivable loan benefit received by the individual, other
4 than for good cause as determined by the Corporation in consultation with the
5 Vermont Department of Health, then the individual shall receive only partial
6 loan forgiveness for a pro rata portion of the loan pursuant to the terms of the
7 interest-free reimbursement promissory note signed by the individual at the
8 time of entering the Program.

9 Sec. 29d. VERMONT MENTAL HEALTH PROFESSIONAL

10 FORGIVABLE LOAN INCENTIVE PROGRAM;

11 APPROPRIATION

12 In fiscal year 2023, the amount of \$1,500,000.00 is appropriated from the
13 American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery
14 Funds to the Department of Health for forgivable loans under the Vermont
15 Mental Health Professional Forgivable Loan Incentive Program established in
16 Sec. 29c of this act.

17 Sec. 29e. AGENCY OF HUMAN SERVICES; DESIGNATED AND

18 SPECIALIZED SERVICE AGENCIES; WORKFORCE

19 DEVELOPMENT

20 (a) In fiscal year 2023, the amount of \$1,250,000.00 is appropriated to the
21 Agency of Human Services, of which \$1,000,000 is from the American Rescue

1 Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds and \$250,000.00
2 is from the General Fund, to be distributed to the designated and specialized
3 service agencies equitably based on each agency’s proportion of full-time
4 equivalent (FTE) mental health and substance use disorder treatment staff to
5 the total number of FTE mental health and substance use disorder treatment
6 staff across all designated and specialized service agencies statewide. The
7 designated and specialized service agencies shall use these funds for loan
8 repayment and tuition assistance to promote the recruitment and retention of
9 high-quality mental health and substance use disorder treatment professionals
10 available to Vermont residents in need of their services, as set forth in
11 subsection (b) of this section.

12 (b)(1) Each designated and specialized service agency shall make the funds
13 received pursuant to subsection (a) of this section available to its current and
14 prospective employees as set forth in subdivisions (A) and (B) of this
15 subdivision (1) on a rolling basis in exchange for a one-year service obligation
16 to provide mental health services or substance use disorder treatment services,
17 or both, at a designated or specialized service agency in this State. The funds
18 may be used for the following purposes:

19 (A) loan repayment for master’s-level clinicians, bachelor’s-level
20 direct service staff, and nurses; and

1 (B) tuition assistance for individuals pursuing degrees to become
2 master’s-level clinicians, bachelor’s-level direct service staff, and nurses.

3 (2) Loan repayment and tuition assistance funds shall be available to the
4 current and prospective employees of designated and specialized service
5 agencies in the form of forgivable loans, with the debt forgiven upon the
6 employee’s completion of the required service obligation.

7 (c) On or before March 1, 2023, the Agency of Human Services shall make
8 a presentation available to the House Committees on Appropriations, on Health
9 Care, and on Human Services; the Senate Committees on Appropriations and
10 on Health and Welfare on the use of the funds appropriated in this section.

11 Sec. 30. 18 V.S.A. § 9456 is amended to read:

12 § 9456. BUDGET REVIEW

13 (a) The Board shall conduct reviews of each hospital’s proposed budget
14 based on the information provided pursuant to this subchapter and in
15 accordance with a schedule established by the Board.

16 (b) In conjunction with budget reviews, the Board shall:

17 * * *

18 (10) require each hospital to provide information on administrative
19 costs, as defined by the Board, including specific information on the amounts
20 spent on marketing and advertising costs; ~~and~~

1 (11) require each hospital to create or maintain connectivity to the
2 State’s Health Information Exchange Network in accordance with the criteria
3 established by the Vermont Information Technology Leaders, Inc., pursuant to
4 subsection 9352(i) of this title, provided that the Board shall not require a
5 hospital to create a level of connectivity that the State’s Exchange is unable to
6 support;

7 (12) review the hospital’s investments in workforce development
8 initiatives, including nursing workforce pipeline collaborations with nursing
9 schools and compensation and other support for nurse preceptors; and

10 (13) consider the salaries for the hospital’s executive and clinical
11 leadership and the hospital’s salary spread, including a comparison of median
12 salaries to the medians of northern New England states.

13 * * *

14 Sec. 31. GREEN MOUNTAIN CARE BOARD; FISCAL YEAR 2023
15 HOSPITAL BUDGET REVIEW; NURSING WORKFORCE
16 DEVELOPMENT INITIATIVES

17 For hospital fiscal year 2023, the Green Mountain Care Board may exclude
18 all or a portion of a hospital’s investments in nursing workforce development
19 initiatives from any otherwise applicable financial limitations on the hospital’s
20 budget or budget growth. Notwithstanding any provision of GMCB

1 Rule 3.202, the Board may modify its hospital budget guidance for hospital
2 fiscal year 2023 as needed to comply with this section.

3 Sec. 32. AGENCY OF HUMAN SERVICES; HEALTH CARE

4 WORKFORCE DATA CENTER

5 (a) In fiscal year 2023, the amount of \$750,000.00 is appropriated from the
6 American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery
7 Funds to the Office of Health Care Reform in the Agency of Human Services
8 to enable the Agency to establish and operate the statewide Health Care
9 Workforce Data Center. In order to enhance the State’s public health data
10 systems, respond to the COVID-19 public health emergency, and improve the
11 State’s COVID-19 mitigation and prevention efforts, the Center shall collect
12 health care workforce data, shall collaborate with the Director of Health Care
13 Reform to identify and propose solutions to address data gaps, and shall share
14 the data with the Green Mountain Care Board as appropriate to inform the
15 Board’s Health Resource Allocation Plan responsibilities pursuant to
16 18 V.S.A. § 9405.

17 (b) The Center shall use existing statewide information to the extent
18 practicable to avoid imposing administrative burdens on health care providers
19 and to avoid duplication of efforts underway elsewhere in Vermont. The
20 Center shall expand its data collection practices over two years to include all

1 levels of the health care workforce, beginning with the highest-level licensed
2 health care professionals.

3 (c) In order to ensure the Center has access to accurate and timely health
4 care workforce data, the Center:

5 (1) shall have the cooperation of other State agencies and departments in
6 responding to the Center’s requests for information;

7 (2) may enter into data use agreements with institutions of higher
8 education and other public and private entities, to the extent permitted under
9 State and federal law; and

10 (3) may collect vacancy and turnover information from health care
11 employers.

12 (d) One permanent classified Health Care Workforce Data Center Manager
13 position is created in the Agency of Human Services, Office of Health Care
14 Reform in fiscal year 2023 to manage the Health Care Workforce Data Center
15 created pursuant to this section.

16 (e) The Agency of Human Services may include proposals for additional
17 funding or data access, or both, for the Center as part of the Agency’s fiscal
18 year 2024 budget request.

1 Sec. 33. [Reserved.]

2 Sec. 34. AGENCY OF HUMAN SERVICES; POSITION;

3 APPROPRIATION

4 (a) One classified, three-year limited-service Health Care Workforce
5 Coordinator position is created in the Agency of Human Services, Office of
6 Health Care Reform in fiscal year 2023 to support the health care workforce
7 initiatives set forth in this act and in the Health Care Workforce Development
8 Strategic Plan. The Coordinator shall focus on building educational, clinical,
9 and housing partnerships and support structures to increase and improve health
10 care workforce training, recruitment, and retention.

11 (b) In fiscal year 2023 the amount of \$170,000.00 is appropriated from the
12 General Fund to the Agency of Human Services, Office of Health Care Reform
13 for the Health Care Workforce Coordinator position, of which \$120,000.00 is
14 for personal services and \$50,000.00 is for operating expenses.

15 Sec. 35. DEPARTMENT OF LABOR; GREEN MOUNTAIN CARE

16 BOARD; SUPPLY AND DEMAND MODELING

17 On or before January 15, 2023, the Department of Labor, in collaboration
18 with the Green Mountain Care Board, shall explore and recommend to the
19 House Committees on Health Care, on Human Services, and on Commerce and
20 Economic Development and the Senate Committees on Health and Welfare
21 and on Economic Development, Housing and General Affairs a process,

1 methodology, and necessary funding amounts to establish and maintain the
2 capacity to perform health care supply and demand modeling based on
3 information in the Health Care Workforce Data Center, for use by health care
4 employers, health care educators, and policymakers.

5 Sec. 36. DEPARTMENT OF FINANCIAL REGULATION; GREEN
6 MOUNTAIN CARE BOARD; PRIOR AUTHORIZATIONS;
7 ADMINISTRATIVE COST REDUCTION; REPORT

8 (a) The Department of Financial Regulation shall explore the feasibility of
9 requiring health insurers and their prior authorization vendors to access clinical
10 data from the Vermont Health Information Exchange whenever possible to
11 support prior authorization requests in situations in which a request cannot be
12 automatically approved.

13 (b) The Department of Financial Regulation shall direct health insurers to
14 provide prior authorization information to the Department in a format required
15 by the Department in order to enable the Department to analyze opportunities
16 to align and streamline prior authorization request processes. The Department
17 shall share its findings and recommendations with the Green Mountain Care
18 Board, and the Department and the Board shall collaborate to provide
19 recommendations to the House Committee on Health Care and the Senate
20 Committees on Health and Welfare and on Finance on or before January 15,

1 2023 regarding the statutory changes necessary to align and streamline prior
2 authorization processes and requirements across health insurers.

3 Sec. 37. 33 V.S.A. § 3543 is amended to read:

4 § 3543. STUDENT LOAN REPAYMENT ASSISTANCE

5 (a)(1) There is established a need-based student loan repayment assistance
6 program for the purpose of providing student loan repayment assistance to any
7 individual employed by a regulated, privately operated center-based child care
8 program or family child care home.

9 (2) An eligible individual shall:

10 (A)(i) work in a privately operated center-based child care program
11 or in a family child care home that is regulated by the Division for at least an
12 average of 30 hours per week for 48 weeks of the year; or

13 (ii) if the individual is an employee of a Vermont Head Start
14 program that operates fewer than 48 weeks per year, work a minimum of nine
15 months of the year, inclusive of any employer-approved time off;

16 (B) receive an annual salary of not more than \$50,000.00 through the
17 individual's work in regulated childcare; and

18 (C) have earned an associates or bachelor's degree with a major
19 concentration in early childhood, child and human development, elementary
20 education, special education with a birth to age eight focus, or child and family
21 services within the preceding five years.

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Sec. 38. PILOT PROGRAM; POSITIONS EMBEDDED WITHIN
RECOVERY CENTERS

(a)(1) In fiscal year 2023 the amount of \$1,290,000.00 is appropriated from the General Fund to the Department for Disabilities, Aging, and Independent Living’s Division of Vocation Rehabilitation for the purpose of developing and implementing a two-year pilot program that authorizes 15 FTE new limited-service positions embedded within 12 recovery centers across the State.

(2) The 15 FTE limited-service positions shall be allocated as follows:

(A) Of the total appropriation, not more than \$540,000.00 total may be allocated in equal amounts to fund the following 2.5 FTE at each of two geographically diverse recovery centers:

(i) one FTE to serve as an employment counselor within the Division of Vocation Rehabilitation;

(ii) one FTE to serve as an employment consultant within the Vermont Association of Business Industry and Rehabilitation; and

(iii) 0.5 FTE to serve as Employment Assistance Program staff within the Division of Vocation Rehabilitation.

(B) Of the total appropriation, \$75,000.00 may be allocated in equal amounts to fund a minimum of one-half FTE position, who shall serve as an

1 employment support counselor, at each of the 10 remaining recovery centers in
2 the State.

3 (C) Any amounts not appropriated for positions may be used to
4 provide stipends for transportation, child care, or other costs necessary to
5 enable clients to work.

6 (b) On or before January 1, 2024, the Division of Vocational
7 Rehabilitation, in collaboration with the Vermont Association of Business
8 Industry and Rehabilitation and the Division of Alcohol and Drug Abuse
9 Programs, shall submit a report to the House Committees on Commerce and
10 Economic Development and on Human Services and to the Senate Committees
11 on Economic Development, Housing and General Affairs and on Health and
12 Welfare summarizing the effectiveness of the pilot program, including:

- 13 (1) educational attainment and achievement of program recipients;
14 (2) acquisition of a credential of value pursuant to 10 V.S.A. § 546;
15 (3) number of job placements; and
16 (4) job retention rates.

17 Sec. 39. CREDENTIAL OF VALUE GOAL; PUBLIC-PRIVATE
18 PARTNERSHIP; APPROPRIATION

19 (a) Duties. In fiscal year 2023, the amount of \$150,000.00 is appropriated
20 from the General Fund to the Vermont Student Assistance Corporation for a
21 performance-based contract to perform the following duties, in coordination

1 and alignment with State partners, in support of the State’s goal articulated in
2 10 V.S.A. § 546 that 70 percent of working-age Vermonters hold a credential
3 of value by 2025 (Goal):

4 (1) increase public awareness of the value of postsecondary education
5 and training to help persons of any age make informed decisions about the
6 value of education and training that would further their advancement in
7 educational pathways and pursuit of career goals, through targeted outreach as
8 outlined in subsection (b) of this section;

9 (2) promote a broad understanding of the public good and value in
10 achieving the State’s Goal and of actions stakeholders can take to increase
11 attainment;

12 (3) assist or coordinate with stakeholders, such as educational, business,
13 governmental, nonprofit, and philanthropic organizations, in activities that seek
14 to align the delivery of high-quality education and training opportunities with
15 career advancement and support the policy priorities outlined in 10 V.S.A.
16 § 546;

17 (4) collect and display publicly available, nonconfidential information
18 about postsecondary credentials available to Vermonters;

19 (5) facilitate conversations or provide information about the national
20 best practices in aligning, recognizing, measuring, tracking, and promoting
21 postsecondary credentials of value to the Vermont Department of Labor, the

1 Department of Economic Development, the State Workforce Development
2 Board, and the Agency of Education when requested;

3 (6) maintain web-based resources that provide information about
4 opportunities to obtain a postsecondary credential of value, in coordination
5 with State partners;

6 (7) support the Vermont Department of Labor and Agency of Education
7 transition or integration of Advance Vermont’s web-based resources and
8 collected information referenced in subdivisions (4) and (6) of this subsection
9 into a State-supported system in a coordinated way; and

10 (8) meet on a quarterly basis with the Vermont Department of Labor and
11 Agency of Education about activities described in this subsection.

12 (b) Outreach. The contractor may use funds awarded by the State to:

13 (1) create and distribute public-facing communications and resources
14 related to the duties described in this section; and

15 (2) offer support to career and education counselors, employment and
16 training counselors, jobseekers and their families, and other stakeholders,
17 consistent with best practice and State policy and programs, to help them better
18 understand the postsecondary education and training landscape.

1 (c) Reports. The contractor shall provide written reports to:

2 (1) the Vermont Department of Labor and Agency of Education about
3 anticipated work and activities using a simplified reporting template jointly
4 developed by the contractor and the State entities on a quarterly basis; and

5 (2) on or before December 15, 2022, the House and Senate committees
6 of jurisdiction regarding the use of funds, activities performed, and outcomes
7 achieved pursuant to this section.

8 Sec. 40. VERMONT SERVE, LEARN, AND EARN PROGRAM;

9 APPROPRIATION

10 (a) In fiscal year 2023, the amount of \$2,000,000.00 is appropriated from
11 the General Fund to the Department of Forests, Parks and Recreation to
12 continue funding through the pilot project Vermont Serve, Learn, and Earn
13 Program, which supports workforce development goals through creating
14 meaningful paid service and learning opportunities for young adults, and which
15 has a goal to serve 1,700 participants and complete 13,000 service weeks over
16 the next three years, through the Vermont Youth Conservation Corps, Vermont
17 Audubon, Vermont Works for Women, and Resource VT.

18 (b) The Department shall provide the legislative committees of jurisdiction
19 an interim Program reports on or before January 15, 2023 and 2024 and a final
20 Program report on or before January 15, 2025.

1 Sec. 41. ADULT EDUCATION AND LITERACY; FINDINGS

2 The General Assembly finds:

3 (1) Adult education and literacy services are a key piece of the
4 workforce development system and serve as the entryway into career readiness
5 and workforce development for tens of thousands of our most vulnerable
6 Vermonters, those with low literacy, under-education, or those simply in need
7 of increased skills so that they can succeed.

8 (2) 36,000 adults in Vermont do not have a high school credential, and
9 tens of thousands more lack the skills to matriculate into and be successful in
10 college, in career training programs, or both. Adult education and literacy
11 providers are the first stop on the path to the transformative opportunities that
12 Vermont is offering for these individuals.

13 (3) Adult education and literacy services help people build the assets
14 they need to move out of poverty successfully, as well as the confidence to
15 continue to move toward success throughout their lives. Students are supported
16 to identify concrete goals and then break those goals down into steps. Students
17 set goals in the domains of:

18 (A) family and life;

19 (B) academics; and

20 (C) career and college readiness.

1 Sec. 42. FINDINGS; FOREST FUTURE STRATEGIC ROADMAP

2 The General Assembly finds for the purposes of this section and Secs. 43 to
3 45 of this act:

4 (1) Private and public forestlands:

5 (A) constitute unique and irreplaceable resources, benefits, and
6 values of statewide importance;

7 (B) contribute to the protection and conservation of wildlife habitat,
8 air, water, and soil resources of the State;

9 (C) mitigate the effects of climate change; and

10 (D) benefit the general health and welfare of the persons of the State.

11 (2) The forest products sector, including maple sap collection:

12 (A) is a major contributor to and is valuable to the State's economy
13 by providing nearly 14,000 jobs for Vermonters, generating \$2.1 billion in
14 annual sales, and supporting \$30.8 million in additional economic activity
15 from trail uses and seasonal tourism;

16 (B) is essential to the manufacture of forest products that are used
17 and enjoyed by the persons of the State; and

18 (C) benefits the general welfare of the persons of the State.

19 (3) Private and public forestlands are critical for and contribute
20 significantly to the State's outdoor recreation and tourism economies.

1 (4) Eighty percent of Vermont’s forestland is held in private ownership,
2 of which 56 percent of private lands are enrolled in the forestland category of
3 Vermont’s Use Value Appraisal Program (UVA). UVA is Vermont’s most
4 important conservation program and contains the largest foundation of supply
5 to support a vibrant forest-based rural economy.

6 (5) Economic realities and demand pressures for urban, commercial, and
7 residential land uses throughout the State continue to challenge forest
8 landowners trying to maintain intact forests. Forest fragmentation can
9 adversely affect the natural environment and viable forest management.
10 Addressing the economic and social needs of the forest products sector is
11 paramount to keeping forests intact, viable, and healthy.

12 (6) The encouragement, development, improvement, and preservation of
13 forestry operations will result in extant, intact, and functioning forests that will
14 provide a general benefit to the health and welfare of the persons of the State
15 and the State’s economy.

16 (7) To strengthen, promote, and protect the Vermont forest products
17 sector, the State should establish the Vermont Forest Future Strategic
18 Roadmap.

1 Sec. 43. 10 V.S.A. chapter 82 is added to read:

2 CHAPTER 82. VERMONT FOREST FUTURE STRATEGIC ROADMAP

3 § 2531. VERMONT FOREST FUTURE STRATEGIC ROADMAP

4 (a) Creation. The Commissioner of Forests, Parks and Recreation shall
5 create the Vermont Forest Future Strategic Roadmap to strengthen, modernize,
6 promote, and protect the forest products sector in Vermont. The
7 Commissioner of Forests, Parks and Recreation may contract with a qualified
8 contractor for the creation of the Vermont Forest Future Strategic Roadmap.
9 During the contract proposal process, the Commissioner of Forests, Parks and
10 Recreation shall seek a proposal to complete the Vermont Forest Future
11 Strategic Roadmap from the Vermont Sustainable Jobs Fund.

12 (b) Intended outcomes. The intended outcomes of the Vermont Forest
13 Future Strategic Roadmap are to:

14 (1) increase sustainable economic development and jobs in Vermont's
15 forest economy;

16 (2) promote ways to expand the workforce and strengthen forest product
17 enterprises in order to strengthen, modernize, promote, and protect the
18 Vermont forest economy into the future;

19 (3) promote the importance of healthy, resilient, and sustainably
20 managed working forests that provide a diverse array of high-quality products
21 now and in the future; and

1 (4) identify actionable strategies designed to strengthen, modernize,
2 promote, and protect the forest products sector in Vermont, including
3 opportunities for new product development, opening new markets for Vermont
4 forest products, adopting modern manufacturing processes, and utilizing new
5 ways to market Vermont forest products.

6 (c) Strategic Roadmap content. In developing the Vermont Forest Future
7 Strategic Roadmap, the Commissioner of Forests, Parks and Recreation or the
8 relevant contractor shall:

9 (1) review all existing data, plans, and industry-level research completed
10 over the past 10 years, including the Working Lands Enterprise Fund’s Forest
11 Sector Systems Analysis, and identify any recommendations in those reports in
12 order to build upon previous efforts;

13 (2) identify infrastructure investment and funding to support and
14 promote Vermont forest products enterprises;

15 (3) identify regulatory barriers and propose policy recommendations to
16 support and strengthen the Vermont forest economy;

17 (4) identify opportunities for all State agencies to engage with and
18 enhance the Vermont forest products sector, including the Department of
19 Buildings and General Services, the Agency of Commerce and Community
20 Development, the Department of Tourism and Marketing, the Agency of
21 Education, the Agency of Transportation, the Department of Public Service,

1 the Agency of Natural Resources, the Department of Financial Regulation, and
2 the Department of Labor;

3 (5) develop recommendations to support education and training of the
4 current and future workforce of the Vermont forest products sector;

5 (6) propose alternatives for the modernization of transportation and
6 regulation of Vermont forest products enterprises, including modernization of
7 local and State permits;

8 (7) identify methods or programs that Vermont forest enterprises can
9 utilize to access business assistance services;

10 (8) recommend how to maintain access by Vermont forest products
11 enterprises to forestland and how to maintain the stewardship and conservation
12 of Vermont forests as a whole;

13 (9) propose methods to enhance market development and manufacturing
14 by Vermont forest products enterprises, including value chain coordination and
15 regional partnerships;

16 (10) recommend consumer education and marketing initiatives; and

17 (11) recommend how to clarify the roles of various public entities and
18 nongovernmental organizations that provide certain services to the forestry
19 sector and to ensure coordination and alignment of those functions in order to
20 advance and maximize the strength of the forest products industry.

1 (d) Process for development of Vermont Forest Future Strategic Roadmap.

2 (1) The Commissioner of Forests, Parks and Recreation or relevant
3 contractor shall develop the Vermont Forest Future Strategic Roadmap and all
4 subsequent revisions through the use of a public stakeholder process that
5 includes and invites participation by interested parties representing all users of
6 Vermont’s forests, including representatives of forest products enterprises,
7 State agencies, investors, forestland owners, recreational interests, loggers,
8 foresters, truckers, sawmills, firewood processors, wood products
9 manufacturers, education representatives, and others.

10 (2) The Commissioner of Forests, Parks and Recreation, in collaboration
11 with forest products sector stakeholders, shall review the Strategic Roadmap
12 periodically and shall update the Strategic Roadmap at least every 10 years.

13 (e) Advisory panel; administration.

14 (1) The Commissioner of Forests, Parks and Recreation or relevant
15 contractor shall convene a Vermont Forest Future Strategic Roadmap advisory
16 panel to review and counsel in the development and implementation of the
17 Vermont Forest Future Strategic Roadmap. The advisory panel shall include
18 representatives of forest products enterprises, State agencies, investors,
19 forestland owners, foresters, loggers, truckers, wood products manufacturers,
20 recreational specialists, education representatives, trade organizations, and

1 other partners as deemed appropriate. The Commissioner of Forests, Parks and
2 Recreation shall select representatives to the advisory panel.

3 (2) The Commissioner of Forests, Parks and Recreation or relevant
4 contractor may seek grants or other means of assistance to support the
5 development and implementation of the Vermont Forest Future Strategic
6 Roadmap.

7 Sec. 44. IMPLEMENTATION

8 (a) The Commissioner of Forests, Parks and Recreation or relevant
9 contractor shall submit to the General Assembly:

10 (1) draft recommendations for the Vermont Forest Future Strategic
11 Roadmap on or before July 1, 2023; and

12 (2) a final report and recommendations for the Vermont Forest Future
13 Strategic Roadmap on or before January 1, 2024.

14 (b) Any recommendation submitted under this section shall include
15 recommended appropriations sufficient to implement the recommendation or
16 the Vermont Forest Future Strategic Roadmap as a whole.

17 Sec. 45. APPROPRIATIONS

18 In addition to any other funds appropriated to the Department of Forests,
19 Parks and Recreation, in fiscal year 2023 the amount of \$250,000.00 is
20 appropriated from the General Fund to the Department to enter a two-year
21 contract in fiscal year 2023 for the purpose of contracting for the development

1 of the Vermont Forest Future Strategic Roadmap required by 10 V.S.A.
2 § 2531.

3 * * * Purpose * * *

4 Sec. 46. PURPOSE

5 The purpose of Secs. 47–59b of this act is to address the negative economic
6 impacts of COVID-19 on Vermont’s economy, employers, workers, and
7 families while simultaneously leveraging opportunities to grow Vermont’s
8 economy.

9 * * * Relocating Employee Incentives * * *

10 Sec. 47. 10 V.S.A. § 4 is amended to read:

11 § 4. NEW RELOCATING EMPLOYEE INCENTIVES

12 (a) The Agency of Commerce and Community Development shall design
13 and implement a program to award incentive grants to relocating employees as
14 provided in this section and subject to the policies and procedures the Agency
15 adopts to implement the program.

16 (b) A relocating employee may be eligible for a grant under the program
17 for qualifying expenses, subject to the following:

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

19 (2) The Agency may award an enhanced grant, which shall not exceed
20 \$7,500.00, for a relocating employee who becomes a resident in a labor market
21 area in this State in which:

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

3 (B) the average annual wage in the State exceeds the annual average
4 wage in the labor market area.

5 (c) The Agency shall:

6 (1) adopt procedures for implementing the program, which shall include
7 a simple certification process to certify relocating employees and qualifying
8 expenses;

9 (2) promote awareness of the program, including through coordination
10 with relevant trade groups and by integration into the Agency's economic
11 development marketing campaigns;

12 (3) ~~award grants to relocating employees on a first come, first served~~
13 ~~basis beginning on July 1, 2021, subject to available funding~~ adopt procedures
14 to initially approve an applicant for a grant after verifying a relocating
15 employee's eligibility and to make final payment of a grant after verifying that
16 the relocating employee has completed relocation to this State; and

17 (4) adopt measurable goals, performance measures, and an audit strategy
18 to assess the utilization and performance of the program.

19 (d) ~~On~~ Annually, on or before January 15, ~~2022~~, the Agency shall submit a
20 report to the House Committee on Commerce and Economic Development and

1 the Senate Committee on Economic Development, Housing and General
2 Affairs concerning the implementation of this section, including:

3 (1) a description of the policies and procedures adopted to implement
4 the program;

5 (2) the promotion and marketing of the program; and

6 (3) an analysis of the utilization and performance of the program,
7 including the projected revenue impacts and other qualitative and quantitative
8 returns on investment in the program based on available data and modeling.

9 (e) As used in this section:

10 (1) “Qualifying expenses” means the actual costs a relocating employee
11 incurs for relocation expenses, which may include moving costs, closing costs
12 for a primary residence, rental security deposit, one month’s rent payment, and
13 other relocation expenses established in Agency guidelines.

14 (2) “Relocating employee” means an individual who meets the
15 following criteria:

16 (A)(i) On or after July 1, 2021:

17 (I) the individual becomes a full-time resident of this State;

18 (II) the individual becomes a full-time employee at a Vermont
19 location of a for-profit or nonprofit business organization domiciled or
20 authorized to do business in this State, or of a State, municipal, or other public
21 sector employer; and

1 (III) ~~the individual becomes employed in one of the~~
2 ~~“Occupations with the Most Openings” identified by the Vermont Department~~
3 ~~of Labor in its “Short Term Employment Projections 2020-2022”;~~ and

4 (IV) the employer attests to the Agency that, after reasonable
5 time and effort, the employer was unable to fill the employee’s position from
6 among Vermont applicants; or

7 (ii) on or after February 1, 2022:

8 (I) the individual becomes a full-time resident of this State; and

9 (II) the individual is a full-time employee of an out-of-state
10 business and 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 (B) The individual receives gross salary or wages that equal or
13 exceed the Vermont livable wage rate calculated pursuant to 2 V.S.A. § 526.

14 (C) The individual is subject to Vermont income tax.

15 Sec. 48. THINK VERMONT REGIONAL RECRUITMENT AND

16 RELOCATION NETWORK

17 (a) Regional recruitment and relocation network. The Department of
18 Tourism and Marketing shall launch and lead a coordinated regional relocation
19 network to facilitate the successful recruitment and relocation of individuals to
20 Vermont. The Department of Tourism and Marketing shall build capacity to
21 facilitate lead generation and support a network of regional and local entities

1 embedded in their communities who will act as resource coordinators to
2 transform leads into permanent residents. These network partners shall be
3 responsible for providing quick, customized information, resources, and
4 referrals. The network shall be designed to:

5 (1) leverage all available State and federal resources;

6 (2) provide a regionally customized customer support pathway for
7 potential residents;

8 (3) receive, respond to, and track leads generated by State marketing
9 efforts;

10 (4) ensure that every inquiry is responded to in a timely, appropriate
11 way in support of future employment and successful relocation;

12 (5) collaborate with regional employers on their recruitment efforts to
13 maximize the sharing of information about employment opportunities and
14 promote placements or matching of applicants;

15 (6) track, share, and report information between other regional contacts,
16 State agencies, and departments; and

17 (7) evolve and respond to new needs and resources.

18 (b) System infrastructure.

19 (1) The Department shall establish a competitive RFP process, with the
20 goal of contracting with an entity, based on responses received, in each of 12
21 designated regions. The competitive process will help the Department ensure

1 that there is capacity within responding entities to perform the scope of work
2 required.

3 (2) The Department shall score the RFP responses and utilize a scoring
4 system to choose a partner entity in each region of the State.

5 (3) The Department shall create one full-time staff position to maintain
6 oversight and management of the regional network and report on outcomes and
7 relocation services delivered.

8 (4) The regional network shall be integrated into current recruitment
9 efforts to maximize existing tools such as ThinkVermont.com.

10 (5) The Department shall leverage its existing programmatic footprint to
11 ensure that relocation assistance is available in every region of the State.

12 (6) To the extent possible, the regional relocation network shall not
13 duplicate or replace existing public or private recruitment programs.

14 (7) The Department shall work to coordinate and enhance these efforts
15 to create a wraparound system of support, information, and recordkeeping.

16 (c) Coordination. The Department shall coordinate with statewide and
17 community-based organizations, as well as Agencies and Departments in State
18 government, including the Department of Labor, the Agency of Human
19 Services, Vocational Rehabilitation, Regional Development Corporations and
20 Regional Planning Commissions, and statewide and local chambers of
21 commerce.

1 (d) Promotion and marketing.

2 (1) The Department shall promote Vermont as a relocation destination
3 to attract new residents to the State and generate leads for the regional
4 relocation network.

5 (2) The Department shall use a mix of marketing tactics, each with
6 specific benchmarks to define success, including:

7 (A) secure and maintain positive earned media coverage in national,
8 regional, and other news media;

9 (B) extend the reach of positive news coverage through owned media
10 channels;

11 (C) utilize paid media opportunities to advertise Vermont as a place
12 to live, work, visit, and do business; and

13 (D) utilize targeting techniques to reach key populations in high
14 demand occupations in sectors facing workforce shortages in Vermont as well
15 as individuals of diverse backgrounds.

16 (e) Report. The Department shall include the following metrics in addition
17 to a progress update and any recommendations annually to the General
18 Assembly:

19 (1) the number of inquiries received and individuals served in each
20 region, by region; and

21 (2) employment and relocation status data on all individuals served.

1 (f) Implementation. The Department of Tourism and Marketing shall
2 launch the RFP and select regional network partners based on the responses on
3 or before November 15, 2022.

4 * * * Capital Investment Grant Program * * *

5 Sec. 49. 2021 Acts and Resolves No. 74, Sec. H.18 is amended to read:

6 Sec. H.18 CAPITAL INVESTMENT GRANT PROGRAM

7 (a) Creation; purpose; regional outreach.

8 (1) The Agency of Commerce and Community Development shall use
9 the \$10,580,000 appropriated to the Department of Economic Development in
10 Sec. G.300(a)(12) of this act to design and implement a capital investment
11 grant program consistent with this section.

12 (2) The purpose of the program is to make funding available for
13 transformational projects that will provide each region of the State with the
14 opportunity to attract businesses, retain existing businesses, create jobs, and
15 invest in their communities by encouraging capital investments and economic
16 growth.

17 (3) The Agency shall collaborate with other State agencies, regional
18 development corporations, regional planning commissions, and other
19 community partners to identify potential regional applicants and projects to
20 ensure the distribution of grants throughout the regions of the State.

1 (b) Eligible applicants.

2 (1) To be eligible for a grant, an applicant shall comply with the
3 Department of Treasury Final Rule implementing the Coronavirus State and
4 Local Fiscal Recovery Funds established under the American Rescue Plan Act
5 and meet the following criteria:

6 (A) The applicant is located within this State.

7 (B) The applicant is:

8 (i)(I) a for-profit entity with not less than a 10 percent equity
9 interest in the project; or

10 (II) a nonprofit entity; and

11 (ii) grant funding from the Program represents not more than ~~50~~
12 20 percent of the total project cost.

13 (C) The applicant demonstrates:

14 (i) community and regional support for the project;

15 (ii) that grant funding is needed to complete the project;

16 (iii) leveraging of additional sources of funding from local, State,
17 or federal economic development programs; and

18 (iv) an ability to manage the project, with requisite experience and
19 a plan for fiscal viability.

20 (2) The following are ineligible to apply for a grant:

21 (A) a State or local government-operated business;

1 (B) a municipality;

2 (C) a business that, together with any affiliated business, owns or
3 operates more than 20 locations, regardless of whether those locations do
4 business under the same name or within the same industry; and

5 (D) a ~~publicly traded~~ publicly traded company.

6 (c) Awards; amount; eligible uses.

7 (1) An award shall not exceed the lesser of ~~\$1,500,000.00~~ \$1,000,000.00
8 ~~or the estimated net State fiscal impact of the project based on Agency~~
9 ~~modeling~~ 20 percent of the total project cost.

10 (2) A recipient may use grant funds for the acquisition of property and
11 equipment, construction, renovation, and related capital expenses.

12 (3) A recipient may combine grant funds with funding from other
13 sources but shall not use grant funds from multiple sources for the same costs
14 within the same project.

15 (4) The Agency shall release grant funds upon determining that the
16 applicant has met all Program conditions and requirements.

17 (5) Nothing in this section is intended to prevent a grant recipient from
18 applying for additional grant funds if future amounts are appropriated for the
19 program.

20 ~~(d) Data model; approval.~~

1 ~~(1) The Agency shall collaborate with the Legislative Economist to~~
2 ~~design a data model and related methodology to assess the fiscal, economic,~~
3 ~~and societal impacts of proposals and prioritize them based on the results.~~

4 ~~(2) The Agency shall present the model and related methodology to the~~
5 ~~Joint Fiscal Committee for its approval not later than September 1, 2021.~~

6 (e) Application process; decisions; awards.

7 (1)(A) The Agency shall accept applications on a rolling basis for three-
8 month periods and shall review and consider for approval the group of
9 applications it has received as of the conclusion of each three-month period.

10 (B) The Agency shall make application information available to the
11 Legislative Economist and the Executive Economist in a timely manner.

12 ~~(2) Using the data model and methodology approved by the Joint Fiscal~~
13 ~~Committee, the Agency shall analyze the information provided in an~~
14 ~~application to estimate the net State fiscal impact of a project, including the~~
15 ~~following factors:~~

16 ~~(A) increase to grand list value;~~

17 ~~(B) improvements to supply chain;~~

18 ~~(C) jobs impact, including the number and quality of jobs; and~~

19 ~~(D) increase to State GDP. [Repealed.]~~

20 (3) The Secretary of Commerce and Community Development shall
21 appoint an interagency team, which may include members from among the

1 Department of Economic Development, the Department of Housing and
2 Community Development, the Agency of Agriculture, Food and Markets, the
3 Department of Public Service, the Agency of Natural Resources, or other State
4 agencies and departments, which team shall review, analyze, and recommend
5 projects for funding consistent with the guidelines the Agency develops in
6 coordination with the Joint Fiscal Office and approved by the Joint Fiscal
7 Committee and based on ~~the estimated net State fiscal impact of a project and~~
8 ~~on other contributing factors, including the following:~~

9 (A) transformational nature of the project for the region;

10 (B) project readiness, quality, and demonstrated collaboration with
11 stakeholders and other funding sources;

12 (C) alignment and consistency with regional plans and priorities; and

13 (D) creation and retention of workforce opportunities.

14 (4) The Secretary of Commerce and Community Development shall
15 consider the recommendations of the interagency team and shall give final
16 approval to projects.

17 (f) Grant agreements; post award monitoring.

18 (1) If selected by the Secretary, the applicant and the Agency shall
19 execute a grant agreement that includes audit provisions and minimum
20 requirements for the maintenance and accessibility of records that ensures that

1 the Agency and the Auditor of Accounts have access and authority to monitor
2 awards.

3 (2) The Agency shall publish on its website not later than 30 days after
4 approving an award a brief project description, the name of the grantee, and the
5 amount of a grant.

6 (g) Report. On or before ~~December 15, 2021~~ February 15, 2023, the
7 Agency shall submit a report to the House Committee on Commerce and
8 Economic Development and the Senate Committee on Economic
9 Development, Housing and General Affairs concerning the implementation of
10 this section, including:

11 (1) a description of the implementation of the program;

12 (2) the promotion and marketing of the program;

13 (3) an analysis of the utilization and performance of the program;

14 ~~including the projected revenue impacts and other qualitative and quantitative~~
15 ~~returns on investment in the program based on available data and modeling.~~

16 (h) Implementation.

17 (1) The Agency of Commerce and Community Development shall
18 consult with the Legislative Joint Fiscal Office to develop guidelines and
19 approval processes for the Capital Investment Grant Program and shall submit
20 the proposed guidelines and processes to the Joint Fiscal Committee for
21 approval prior to accepting applications for grants through the Program.

1 (2) When considering whether and how to prioritize economic sectors
2 that have suffered economic harm due to the COVID-19 pandemic, the Agency
3 may designate one or more sectors for priority consideration through the
4 Program, including the arts and culture, travel, lodging, tourism, agriculture,
5 and child care sectors.

6 * * * VEDA Short-Term Forgivable Loans * * *

7 Sec. 50. VEDA SHORT-TERM FORGIVABLE LOANS

8 (a) Creation. The Vermont Economic Development Authority shall create
9 a Short-Term Forgivable Loan Program to support Vermont businesses
10 experiencing continued working capital shortfalls as a result of the COVID-19
11 public health emergency.

12 (b) Eligible business. An eligible borrower is a for-profit or nonprofit
13 business:

14 (1) with fewer than 500 employees;

15 (2) located in Vermont;

16 (3) that was in operation or had taken substantial steps toward becoming
17 operational as of March 13, 2020; and

18 (4) that can identify economic harm caused by or exacerbated by the
19 pandemic.

1 (c) Economic harm.

2 (1) An applicant shall demonstrate economic harm from lost revenue,
3 increased costs, challenges covering payroll, rent or mortgage interest, or other
4 operating costs that threaten the capacity of the business to weather financial
5 hardships and result in general financial insecurity due to the COVID-19
6 public health emergency.

7 (2) The Authority shall measure economic harm by a material decline in
8 the applicant’s annual adjusted net operating income before the COVID-19
9 public health emergency relative to its annual adjusted net operating income
10 during the COVID-19 public health emergency.

11 (3) When assessing an applicant’s adjusted net operating income, the
12 Authority shall consider previous COVID-19 State and federal subsidies,
13 reasonable owner’s compensation, noncash expenses, extraordinary items, and
14 other adjustments deemed appropriate.

15 (4) To be eligible for a loan, the Authority shall determine that a
16 business has experienced at least a 25 percent reduction in its adjusted net
17 operating income in calendar years 2020 and 2021 combined as compared to
18 2019, or other appropriate basis of comparison where necessary, and that 50
19 percent or more of the reduction occurred in 2021.

1 (d) Maximum loan. The Authority shall determine the amount of a loan
2 award pursuant to guidelines adopted pursuant to subsection (f) of this section,
3 provided that a loan shall not exceed the lesser of:

4 (1) \$200,000.00;

5 (2)(A) six months of eligible fixed costs; or

6 (B) if, due to the nature of the business and its historical experience
7 fixed costs are not an accurate measure of ongoing operational need, another
8 amount based on a comparable measure of cost; or

9 (3) the amount of the cumulative decline in adjusted net operating
10 income during the COVID-19 public health emergency in 2020 and 2021.

11 (e) Eligible use of loan; loan forgiveness.

12 (1) A loan recipient may use loan proceeds to pay for eligible fixed costs
13 or operating expenses but shall not use the proceeds for capital expenditures.

14 (2) The Authority shall approve loan forgiveness based on
15 documentation evidencing loan proceeds were used to pay for eligible fixed
16 costs or operating expenses.

17 (f) Guidelines. The Vermont Economic Development Authority shall
18 consult with the Legislative Joint Fiscal Office to develop guidelines and
19 approval processes for the VEDA Short-Term Forgivable Loan Program and
20 shall submit the proposed guidelines and processes to the Joint Fiscal

1 Committee for approval prior to accepting applications for grants through the
2 Program.

3 (g) Priority sectors. When considering whether and how to prioritize
4 economic sectors that have suffered economic harm due to the COVID-19
5 pandemic, the Agency of Commerce and Community Development may
6 designate one or more sectors for priority funding through the Program,
7 including the arts and culture, travel, lodging, tourism, agriculture, and child
8 care sectors.

9 Sec. 51. INTENT; WINDHAM COUNTY ECONOMIC DEVELOPMENT

10 It is the intent of the General Assembly to take any legislative action
11 necessary:

12 (1) to transfer all unobligated Windham County Economic Development
13 Program grant funds and Program special fund balances from the Agency of
14 Commerce and Community Development to the Brattleboro Development
15 Credit Corporation not later than October 1, 2022;

16 (2) to move all Program-related loans and loan servicing functions from
17 the Vermont Economic Development Authority to the Corporation not later
18 than October 1, 2022; and

19 (3) to ensure that future payments of principal and interest on
20 outstanding loans originally issued by the Authority are paid to the
21 Corporation.

* * * Project-Based Tax Increment Financing * * *

Sec. 52. 24 V.S.A. 1892(d) is amended to read:

(d) The following municipalities have been authorized to use education tax increment financing for a tax increment financing district:

- (1) the City of Burlington, Downtown;
- (2) the City of Burlington, Waterfront;
- (3) the ~~Town of Milton, North and South~~ Town of Bennington;
- (4) the ~~City of Newport~~ City of Montpelier;
- (5) the City of Winooski;
- (6) the ~~Town of Colchester~~;
- ~~(7)~~ the Town of Hartford;
- ~~(8)~~(7) the City of St. Albans;
- ~~(9)~~(8) the City of Barre;
- ~~(10)~~(9) the Town of Milton, Town Core; and
- ~~(11)~~(10) the City of South Burlington.

Sec. 52a. 32 V.S.A. § 5404a is amended to read:

§ 5404a. TAX STABILIZATION AGREEMENTS; TAX INCREMENT
FINANCING DISTRICTS

(a) A tax agreement or exemption shall affect the education property tax grand list of the municipality in which the property subject to the agreement is located if the agreement or exemption is:

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* * *

(b)(1) An agreement affecting the education property tax grand list defined under subsection (a) of this section shall reduce the municipality’s education property tax liability under this chapter for the duration of the agreement or exemption without extension or renewal, and for a maximum of 10 years. A municipality’s property tax liability under this chapter shall be reduced by any difference between the amount of the education property taxes collected on the subject property and the amount of education property taxes that would have been collected on such property if its fair market value were taxed at the equalized nonhomestead rate for the tax year.

(2) Notwithstanding any other provision of law, if a municipality has entered into an agreement that reduces the municipality’s education property tax liability under this chapter and the municipality establishes a tax increment financing district under 24 V.S.A. chapter 53, subchapter 5, the municipality’s municipal and education tax increment shall be calculated based on the assessed value of the properties in the municipality’s grand list and not on the stabilized value.

* * *

(f) A municipality that establishes a tax increment financing district under 24 V.S.A. chapter 53, subchapter 5 shall collect all property taxes on properties contained within the district and apply not more than 70 percent of the State

1 education property tax increment, and not less than 85 percent of the municipal
2 property tax increment, to repayment of financing of the improvements and
3 related costs for up to 20 years pursuant to 24 V.S.A. § 1894, if approved by
4 the Vermont Economic Progress Council pursuant to this section, subject to the
5 following:

6 (1) In a municipality with one or more approved districts, the Council
7 shall not approve an additional district until the municipality retires the debt
8 incurred for all of the districts in the municipality.

9 (2) The Council shall not approve more than ~~six~~ four districts in the
10 State, and not more than two per county, provided:

11 (A) The districts listed in 24 V.S.A. § 1892(d) shall not be counted
12 against the limits imposed in this subdivision (2).

13 (B) The Council shall consider complete applications in the order
14 they are submitted, except that if during any calendar month the Council
15 receives applications for more districts than are actually available in a county,
16 the Council shall evaluate each application and shall approve the application
17 that, in the Council's discretion, best meets the economic development needs
18 of the county.

19 (C) If, while the General Assembly is not in session, the Council
20 receives applications for districts that would otherwise qualify for approval
21 but, if approved, would exceed the ~~six-district~~ four-district limit in the State,

1 the Council shall make one or more presentations to the Emergency Board
2 concerning the applications, and the Emergency Board may, in its discretion,
3 increase the six-district limit.

4 (D) The Council shall not approve more than one district in
5 Bennington County and one district in Washington County.

6 * * *

7 (4) In any year that the assessed valuation of real property in a district
8 decreases in comparison to the original taxable value of the real property in a
9 district, a municipality shall pay the amount equal to the tax calculated based
10 on the original taxable value to the Education Fund.

11 * * *

12 (h) To approve utilization of incremental revenues pursuant to subsection
13 (f) of this section:

14 * * *

15 (4) Project criteria. Determine that the proposed development within a
16 tax increment financing district will accomplish at least three of the following
17 five criteria:

18 * * *

19 (C) The project will affect the remediation and redevelopment of a
20 brownfield located within the district. In the case of a brownfield, the Vermont
21 Economic Progress Council is authorized to adopt rules pursuant to

1 subsection (j) of this section to clarify what is a reasonable improvement, as
2 defined in 24 V.S.A. § 1891, to remediate and stimulate the development or
3 redevelopment in the district. As used in this section, “brownfield” means an
4 area in which a hazardous substance, pollutant, or contaminant is or may be
5 present, and that situation is likely to complicate the expansion, development,
6 redevelopment, or reuse of the property.

7 * * *

8 Sec. 52b. TAX INCREMENT FINANCING PROJECT DEVELOPMENT;
9 PILOT PROGRAM

10 (a) Definitions. As used in this section:

11 (1) “Committed” means pledged and appropriated for the purpose of the
12 current and future payment of tax increment financing and related costs as
13 defined in this section.

14 (2) “Coordinating agency” means any public or private entity from
15 outside the municipality’s departments or offices and not employing the
16 municipality’s staff, which has been designated by a municipality to administer
17 and coordinate a project during creation, public hearing process, approval
18 process, or administration and operation during the life of the project,
19 including overseeing infrastructure development, real property development
20 and redevelopment, assisting with reporting, and ensuring compliance with
21 statute and rule.

1 (3) “Financing” means debt incurred, including principal, interest, and
2 any fees or charges directly related to that debt, or other instruments or
3 borrowing used by a municipality to pay for improvements and related costs
4 for the approved project, only if authorized by the legal voters of the
5 municipality in accordance with 24 V.S.A. § 1894. Payment for eligible
6 related costs may also include direct payment by the municipality using the
7 district increment. However, such anticipated payments shall be included
8 in the vote by the legal voters of the municipality in accordance with
9 subsection (f) of this section. If interfund loans within the municipality are
10 used as the method of financing, no interest shall be charged. Bond
11 anticipation notes may be used as a method of financing and may qualify as a
12 municipality’s first incurrence of debt. A municipality that uses a bond
13 anticipation note during the third or sixth year that a municipality may incur
14 debt pursuant to subsection (f) of this section shall incur all permanent
15 financing not more than one year after issuing the bond anticipation note.

16 (4) “Improvements” means the installation, new construction, or
17 reconstruction of infrastructure that will serve a public purpose, including
18 utilities, transportation, public facilities and amenities, land and property
19 acquisition and demolition, brownfield remediation, and site preparation.
20 “Improvements” also means the funding of debt service interest payments for a

1 period of up to five years, beginning on the date on which the first debt is
2 incurred.

3 (5) “Legislative body” means the mayor and alderboard, the city
4 council, the selectboard, and the president and trustees of an incorporated
5 village, as appropriate.

6 (6) “Municipality” means a city, town, or incorporated village.

7 (7) “Nexus” means the causal relationship that must exist between the
8 improvements and the expected development and redevelopment in the TIF
9 Project Zone or the expected outcomes in the TIF Project Zone.

10 (8) “Original taxable value” means the total valuation as determined in
11 accordance with 32 V.S.A. chapter 129 of all taxable real property located
12 within the project as of the creation date, provided that no parcel within the
13 project shall be divided or bisected.

14 (9) “Project” means a public improvement, as defined in subdivision (4)
15 of this subsection, with a total debt ceiling, including related costs, and
16 principal and interest payments, of not more than \$5,000,000.00. A project
17 must:

18 (A) Clearly require substantial public investment over and above the
19 normal municipal operating or bonded debt expenditures.

20 (B) Only include public improvements that are integral to the
21 expected private development.

1 (C) Meet one of the following four criteria:

2 (i) The development includes new or rehabilitated affordable
3 housing, as defined in 24 V.S.A. § 4303.

4 (ii) The project will affect the remediation and redevelopment of a
5 brownfield located within the district. As used in this section, “brownfield”
6 means an area in which a hazardous substance, pollutant, or contaminant is or
7 may be present, and that situation is likely to complicate the expansion,
8 development, redevelopment, or reuse of the property.

9 (iii) The development will include at least one entirely new
10 business or business operation or expansion of an existing business within the
11 project, and this business will provide new, quality, full-time jobs that meet or
12 exceed the prevailing wage for the region as reported by the Department of
13 Labor.

14 (iv) The development will enhance transportation by creating
15 improved traffic patterns and flow or creating or improving public
16 transportation systems.

17 (10) “Related costs” means expenses incurred and paid by the
18 municipality, exclusive of the actual cost of constructing and financing
19 improvements, that are directly related to the creation and implementation of
20 the project, including reimbursement of sums previously advanced by the

1 municipality for those purposes. Related costs may not include direct
2 municipal expenses such as departmental or personnel costs.

3 (11) “TIF project zone” means an area located within one or more active
4 designations approved by the Vermont Downtown Development Board under
5 24 V.S.A. chapter 76A, or located within an industrial park as defined in
6 10 V.S.A. § 212(7), for the parcels in a municipality that have nexus to the
7 project.

8 (b) Pilot program. Beginning on January 1, 2023 and ending on
9 December 31, 2027, the Vermont Economic Progress Council is authorized to
10 approve a total of not more than four tax increment financing projects, ~~with not~~
11 ~~more than three projects per year;~~ provided, however, that there shall not be
12 more than one project per municipality.

13 (c) General authority. Under the pilot program established in
14 subsection (b) of this section, a municipality, upon approval of its
15 legislative body, may apply to the Vermont Economic Progress Council
16 pursuant to the process set forth in subsection (e) of this section to use tax
17 increment financing for a project.

18 (d) Eligibility.

19 (1) A municipality is only authorized to apply for a project under this
20 section if:

1 (A) the project will serve one or more active designations approved
2 by the Vermont Downtown Development Board under 24 V.S.A. chapter 76A,
3 or is located within an industrial park as defined in 10 V.S.A. § 212(7); and

4 (B) the proposed infrastructure improvements and the projected
5 development or redevelopment are compatible with confirmed municipal and
6 regional development plans and the project has clear local and regional
7 significance for employment, housing, brownfield remediation, or
8 transportation improvements.

9 (2) A municipality with an approved tax increment financing district as
10 set forth in 24 V.S.A. 1892(d) is not authorized to apply for a project under this
11 section.

12 (e) Approval process. The Vermont Economic Progress Council shall do
13 all of the following to approve an application submitted pursuant to
14 subsection (c) of this section:

15 (1)(A) Review each application to determine that the infrastructure
16 improvements proposed to serve the project and the proposed development in
17 the project would not have occurred as proposed in the application, or would
18 have occurred in a significantly different and less desirable manner than as
19 proposed in the application, but for the proposed utilization of the incremental
20 tax revenues.

1 (B) The review shall take into account:

2 (i) the amount of additional time, if any, needed to complete the
3 proposed development for the project and the amount of additional cost that
4 might be incurred if the project were to proceed without education property tax
5 increment financing;

6 (ii) how the proposed project components and size would differ, if
7 at all, including, if applicable to the project, in the number of units of
8 affordable housing, as defined in 24 V.S.A. § 4303, without education property
9 tax increment financing;

10 (iii)(I) the amount of additional revenue expected to be generated
11 as a result of the proposed project;

12 (II) the percentage of that revenue that shall be paid to the
13 Education Fund;

14 (III) the percentage that shall be paid to the municipality; and

15 (IV) the percentage of the revenue paid to the municipality that
16 shall be used to pay financing incurred for development of the project; and

17 (iv) the nexus between the improvement and the expected
18 development and redevelopment for the project and expected outcomes in the
19 TIF Project Zone.

20 (2) Process requirements. Determine that each application meets all of
21 the following requirements:

1 (A) The municipality held public hearings and established a project.

2 (B) The municipality has developed a tax increment financing project

3 plan, including a project description; a development financing plan; a pro

4 forma projection of expected costs; a projection of revenues; a statement and

5 demonstration that the project would not proceed without the allocation of a

6 tax increment; evidence that the municipality is actively seeking or has

7 obtained other sources of funding and investment; and a development schedule

8 that includes a list, a cost estimate, and a schedule for public improvements

9 and projected private development to occur as a result of the improvements.

10 The creation of the project shall occur at 12:01 a.m. on April 1 of the calendar

11 year the municipal legislative body votes to approve the tax increment

12 financing project plan.

13 (C) the municipality has approved or pledged the utilization of

14 incremental municipal tax revenues for the purposes of the project in the

15 proportion set for in subdivision (i)(2) of this section.

16 (f) Incurring indebtedness.

17 (1) A municipality approved under the process set forth in subsection (e)

18 of this section may incur indebtedness against revenues to provide funding to

19 pay for improvements and related costs for tax increment financing project

20 development.

1 (2) Notwithstanding any provision of any municipal charter, the
2 municipality shall only require one authorizing vote to incur debt through one
3 instance of borrowing to finance or otherwise pay for the tax increment
4 financing project improvements and related costs; provided, however, that a
5 municipality may present one or more subsequent authorization votes in the
6 event a vote fails. The municipality shall be authorized to incur indebtedness
7 only after the legal voters of the municipality, by a majority vote of all voters
8 present and voting on the question at a special or annual municipal meeting
9 duly warned for the purpose, authorize the legislative body to pledge the credit
10 of the municipality, borrow, or otherwise secure the debt for the specific
11 purposes so warned.

12 (3) Any indebtedness shall be incurred within three years from the date
13 of approval by the Vermont Economic Progress Council, unless the Vermont
14 Economic Progress Council grants an extension of an additional three years
15 pursuant to the substantial change process set forth in the 2015 TIF Rule;
16 provided, however, that an updated plan is submitted prior to the three-year
17 termination date of the project.

18 (g) Original taxable value. As of the date the project is approved by the
19 legislative body of the municipality, the lister or assessor for the municipality
20 shall certify the original taxable value and shall certify to the legislative body
21 in each year thereafter during the life of the project the amount by which the

1 total valuation as determined in accordance with 32 V.S.A. chapter 129 of all
2 taxable real property located within the project has increased or decreased
3 relative to the original taxable value.

4 (h) Tax increments.

5 (1) In each year following the approval of the project, the lister or
6 assessor shall include not more than the original taxable value of the real
7 property in the assessed valuation upon which the treasurer computes the rates
8 of all taxes levied by the municipality and every other taxing district in which
9 the project is situated, but the treasurer shall extend all rates so determined
10 against the entire assessed valuation of real property for that year. In each
11 year, the municipality shall hold apart, rather than remit to the taxing districts,
12 that proportion of all taxes paid that year on the real property within the project
13 that the excess valuation bears to the total assessed valuation. The amount
14 held apart each year is the “tax increment” for that year. Not more than the
15 percentages established pursuant to subsection (i) of this section of the
16 municipal and State education tax increments received with respect to the
17 project and committed for the payment for financing for improvements and
18 related costs shall be segregated by the municipality in a special tax increment
19 financing project account and in its official books and records until all capital
20 indebtedness of the project has been fully paid. The final payment shall be
21 reported to the treasurer, who shall thereafter include the entire assessed

1 valuation of the project in the assessed valuations upon which municipal and
2 other tax rates are computed and extended, and thereafter no taxes from the
3 project shall be deposited in the project's tax increment financing account.

4 (2) In each year, a municipality shall remit not less than the aggregate
5 original taxable value to the Education Fund.

6 (3) Notwithstanding any charter provision or other provision, all
7 property taxes assessed within a project shall be subject to the provision of
8 subdivision (1) of this subsection. Special assessments levied under 24 V.S.A.
9 chapter 76A or 87 or under a municipal charter shall not be considered
10 property taxes for the purpose of this section if the proceeds are used
11 exclusively for operating expenses related to properties within the project and
12 not for improvements as defined in subdivision (a)(3) of this section.

13 (4) Amounts held apart under subdivision (1) of this subsection shall
14 only be used for financing and related costs as defined in subsection (a) of this
15 section.

16 (i) Use of tax increment.

17 (1) Education property tax increment. For only debt incurred within the
18 period permitted under subdivision (e)(3) of this section after approval of the
19 project, up to 70 percent of the education tax increment may be retained for up
20 to 20 years, beginning with the education tax increment generated the year in
21 which the first debt incurred for the project financed in whole or in part with

1 incremental education property tax revenue. Upon incurring the first debt, a
2 municipality shall notify the Department of Taxes and the Vermont Economic
3 Progress Council of the beginning of the 20-year retention period of the
4 education tax increment.

5 (2) Use of the municipal property tax increment. For only debt incurred
6 within the period permitted under subdivision (e)(3) of this section after
7 approval of the project, not less than 85 percent of the municipal tax increment
8 shall be retained to service the debt, beginning the first year in which debt is
9 incurred, pursuant to subdivision (1) of this subsection.

10 (j) Distribution. Of the municipal and education tax increments received in
11 any tax year that exceed the amounts committed for the payment of the
12 financing for improvements and related costs for the project, equal portions of
13 each increment may be retained for the following purposes: prepayment of
14 principal and interest on the financing, placed in a special account required by
15 subdivision (g)(1) of this section and used for future financing payments or
16 used for defeasance of the financing. Any remaining portion of the excess
17 municipal tax increment shall be distributed to the city, town, or village
18 budget, in the proportion that each budget bears to the combined total of the
19 budgets, unless otherwise negotiated by the city, town, or village, and any
20 remaining portion of the excess education tax increment shall be distributed to
21 the Education Fund.

1 (k) Information reporting. Every municipality with an approved project
2 pursuant to this section shall:

3 (1) Develop a system, segregated for the project, to identify, collect, and
4 maintain all data and information necessary to fulfill the reporting
5 requirements of this section, including performance measures.

6 (2) Provide, as required by events, notification to the Vermont
7 Economic Progress Council and the Department of Taxes regarding any tax
8 increment financing development project debt obligations, public votes, or
9 votes by the municipal legislative body immediately following such obligation
10 or vote on a form prescribed by the Council, including copies of public notices,
11 agendas, minutes, vote tally, and a copy of the information provided to the
12 public in accordance with 24 V.S.A. § 1894(i).

13 (3) Annually:

14 (A) Ensure that the tax increment financing project account required
15 by subdivision (h)(1) is subject to the annual audit prescribed in subsection (m)
16 of this section. Procedures must include verification of the original taxable
17 value and annual and total municipal and education tax increments generated,
18 expenditures for debt and related costs, and current balance.

19 (B) On or before October 1 of each year, on a form prescribed by the
20 Council, submit an annual report to the Vermont Economic Progress Council
21 and the Department of Taxes, including the information required by

1 subdivision (2) of this section if not already submitted during the year, all
2 information required by subdivision (A) of this subdivision (3), and the
3 information required by 32 V.S.A. § 5404a(i), including performance measures
4 and any other information required by the Council or the Department of Taxes.

5 (l) Annual report. The Vermont Economic Progress Council and the
6 Department of Taxes shall submit an annual report to the Senate Committees
7 on Economic Development, Housing and General Affairs and on Finance and
8 the House Committees on Commerce and Economic Development and on
9 Ways and Means on or before January 1 each year. The report shall include
10 the date of approval, a description of the project, the original taxable value of
11 the property subject to the project development, the scope and value of
12 projected and actual improvements and developments in the TIF Project Zone,
13 projected and actual incremental revenue amounts, and division of the
14 increment revenue between project debt, the Education Fund, the special
15 account required by subdivision (h)(1) and the municipal General Fund,
16 projected and actual financing, and a set of performance measures developed
17 by the Vermont Economic Progress Council, which may include outcomes
18 related to the criteria for which the municipality applied and the amount of
19 infrastructure work performed by Vermont firms.

1 (m) Audit; financial reports.

2 (1) The State Auditor of Accounts shall conduct performance audits of
3 all projects approved under this section. The cost of conducting each audit
4 shall be considered a “related cost” as defined in subdivision (a)(10) of this
5 section and shall be billed back to the municipality pursuant to 32 V.S.A.
6 § 168(b). Audits conducted pursuant to this subsection shall include a review
7 of a municipality’s adherence to relevant statutes and policies adopted by the
8 Vermont Economic Progress Council pursuant to subsection (o) of this section,
9 verification of the original taxable value, an assessment of record keeping
10 related to revenues and expenditures, a validation of the portion of the tax
11 increment retained by the municipality and used for debt repayment and the
12 portion directed to the Education Fund, and current balance.

13 (2) The State Auditor shall conduct the audits described in subdivision
14 (1) of this subsection based on the following schedule:

15 (A) a first audit shall be conducted five years after the first debt is
16 incurred;

17 (B) a second audit shall be conducted seven years after completion of
18 the first audit; and

19 (C) a final audit shall be conducted at the end of the period for
20 retention of education increment.

1 (n) Authority to issue decisions.

2 (1) The Secretary of Commerce and Community Development, after
3 reasonable notice to a municipality and an opportunity for a hearing, is
4 authorized to issue decisions to a municipality on questions and inquiries
5 concerning the administration of projects, statutes, rules, noncompliance with
6 this section, and any instances of noncompliance identified in audit reports
7 conducted pursuant to subsection (m) of this section.

8 (2) The Vermont Economic Progress Council shall prepare
9 recommendations for the Secretary prior to the issuance of a decision. As
10 appropriate, the Council may prepare such recommendations in consultation
11 with the Commissioner of Taxes, the Attorney General, and the State
12 Treasurer. In preparing recommendations, the Council shall provide a
13 municipality with a reasonable opportunity to submit written information in
14 support of its position. The Secretary shall review the recommendations of the
15 Council and issue a final written decision on each matter within 60 days
16 following the receipt of the recommendations. The Secretary may permit an
17 appeal to be taken by any party to a Superior Court for determination of
18 questions of law in the same manner as the Supreme Court may by rule
19 provide for appeals before final judgment from a Superior Court before issuing
20 a final decision.

1 district improvements and related costs may also include direct payment by the
2 municipality using the district increment. However, such payment is also
3 subject to a vote by the legal voters of the municipality in accordance with
4 section 1894 of this subchapter and, if not included in the tax increment
5 financing plan approved under subsection 1894(d) of this subchapter, is also
6 considered a substantial change and subject to the review process provided by
7 subdivision 1901(2)(B) of this subchapter. If interfund loans within the
8 municipality are used as the method of financing, no interest shall be charged.
9 Bond anticipation notes may be used as a method of financing and may qualify
10 as a district's first incurrence of debt. A municipality that uses a bond
11 anticipation note during the fifth year or tenth year that a district may incur
12 debt pursuant to section 1894 of this title shall incur all permanent financing
13 not more than one year after issuing the bond anticipation note.

14 * * *

15 Sec. 52d. 24 V.S.A. § 1895 is amended to read:

16 § 1895. ORIGINAL TAXABLE VALUE

17 (a) Certification. As of the date the district is created, the lister or assessor
18 for the municipality shall certify the original taxable value and shall certify to
19 the legislative body in each year thereafter during the life of the district the
20 amount by which the total valuation as determined in accordance with
21 32 V.S.A. chapter 129 of all taxable real property located within the tax

1 increment financing district has increased or decreased relative to the original
2 taxable value.

3 (b) Boundary of the district. Any parcel within a district shall be located
4 wholly within the boundaries of a district. No adjustments to the boundary of a
5 district are permitted after the approval of a tax increment financing district
6 plan as described in section 1894 of this title.

7 * * * Vermont Film and Media Industry * * *

8 Sec. 53. VERMONT FILM AND MEDIA INDUSTRY TASK FORCE;
9 STUDY; REPORT

10 (a) There is created the Vermont Film and Media Industry Task Force
11 composed of the following members:

12 (1) one current member of the House of Representatives, who shall be
13 appointed by the Speaker of the House;

14 (2) one current member of the Senate, who shall be appointed by the
15 Senate Committee on Committees;

16 (3) the Secretary of Commerce and Community Development or
17 designee; and

18 (4) a member, appointed by the Vermont Arts Council, who shall serve
19 as chair and shall convene meetings of the Task Force.

20 (b)(1) The Task Force shall have legal assistance from the Office of
21 Legislative Counsel and fiscal assistance from the Joint Fiscal Office.

1 (2) Members of the Task Force shall receive per diem compensation and
2 reimbursement for expenses as provided in 32 V.S.A. § 1010 for not more than
3 four meetings.

4 (c) On or before January 15, 2023, the Task Force shall consult relevant
5 stakeholders in the film and media industry and shall study and submit a report
6 to the House Committee on Commerce and Economic Development and to the
7 Senate Committee on Economic Development, Housing and General Affairs
8 that reviews the history of State efforts to cultivate the film and media industry
9 in Vermont and what financial and other support the State may provide in the
10 future to revitalize the industry following the COVID-19 pandemic and to
11 invigorate the industry in the future, including:

12 (1) successes and failures of past State involvement;

13 (2) opportunities to invigorate the industry, attract filmmakers and
14 media entrepreneurs, and promote Vermont as an attractive destination for
15 tourism and for business development;

16 (3) how Vermont can differentiate and compete with other jurisdictions
17 that also seek to cultivate a more expansive film and media industry;

18 (4) a survey of which entities, in State government and in the private
19 sector, provide outreach and support to businesses in the industry;

20 (5) opportunities for employing federal COVID-19 relief funds to revive
21 the industry; and

1 (6) a cost-benefit analysis of establishing new State financial,
2 administrative, or other supports for the industry.

3 * * * Minimum Wage * * *

4 Sec. 54. FINDINGS

5 The General Assembly finds:

6 (1) The COVID-19 pandemic has caused the labor market to tighten,
7 which has resulted in employers offering higher starting wages to workers in
8 many occupations.

9 (2) Supply chain disruptions and labor shortages related to the COVID-
10 19 pandemic have caused significant inflation and increases in the cost of
11 living for Vermonters.

12 (3) Increasing Vermont’s minimum wage will better align the statutory
13 minimum wage with the actual conditions in Vermont’s labor market and will
14 help lower-wage workers to better afford the cost of essential goods and
15 services.

16 Sec. 54a. 21 V.S.A. § 384 is amended to read:

17 § 384. EMPLOYMENT; WAGES

18 (a)(1) An employer shall not employ any employee at a rate of less than
19 ~~\$10.96. Beginning on January 1, 2021, an employer shall not employ any~~
20 ~~employee at a rate of less than \$11.75. Beginning on January 1, 2022, an~~
21 ~~employer shall not employ any employee at a rate of less than \$12.55.~~

1 Beginning on January 1, 2023, an employer shall not employ any employee at
2 a rate of less than \$13.75. Beginning on January 1, 2024, an employer shall
3 not employ any employee at a rate of less than \$15.00, and on each subsequent
4 January 1, the minimum wage rate shall be increased by five percent or the
5 percentage increase of the Consumer Price Index, CPI-U, U.S. city average,
6 not seasonally adjusted, or successor index, as calculated by the U.S.
7 Department of Labor or successor agency for the 12 months preceding the
8 previous September 1, whichever is smaller, but in no event shall the minimum
9 wage be decreased. The minimum wage shall be rounded off to the nearest
10 \$0.01.

11 * * *

12 * * * COVID-19-Related Paid Leave Grant Program * * *

13 Sec. 55. FINDINGS AND INTENT

14 (a) The General Assembly finds that:

15 (1) COVID-19 has caused increased employee absences due to illness,
16 quarantine, and school and daycare closures.

17 (2) Many employees do not have sufficient paid time off to cover all of
18 their COVID-19-related absences from work.

19 (3) Some employers have provided their employees with additional paid
20 time off for COVID-19-related purposes.

1 (4) The surge in COVID-19 cases caused by the Omicron variant of the
2 virus has made it financially difficult or impossible for employers to provide
3 additional paid time off to their employees for COVID-19-related purposes.

4 (5) Providing grants to employers to reimburse a portion of the cost of
5 providing paid time off to employees for COVID-19-related purposes will:

6 (A) help to mitigate some negative economic impacts of the COVID-
7 19 pandemic on employers;

8 (B) improve employee retention;

9 (C) prevent the spread of COVID-19 in the workplace; and

10 (D) provide crucial income to employees and their families.

11 (6) The Front-Line Employees Hazard Pay Grant Program established
12 pursuant to 2020 Acts and Resolves No. 136, Sec. 6 and expanded pursuant to
13 2020 Acts and Resolves No. 168, Sec. 1 successfully directed millions of
14 dollars in hazard pay to front-line workers during the first year of the COVID-
15 19 pandemic. By utilizing grants to employers, who in turn provided the
16 hazard pay to their employees, the Program enabled employers to retain
17 employees and reward them for their hard work during the uncertainty of the
18 early months of the COVID-19 pandemic.

19 (b) It is the intent of the General Assembly that the COVID-19-Related
20 Paid Leave Grant Program created pursuant to section 14a of this act shall be
21 modeled on the Front-Line Employees Hazard Pay Grant Program and shall

1 assist employers in providing paid leave to their employees for COVID-19
2 related absences.

3 Sec. 55a. COVID-19-RELATED PAID LEAVE GRANT PROGRAM

4 (a)(1) There is established in the Agency of Administration the COVID-19-
5 Related Paid Leave Grant Program to administer and award grants to
6 employers to reimburse the cost of providing COVID-19-related paid leave
7 provided to employees.

8 (2) The sum of \$16,500,000.00 is appropriated from the American
9 Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the
10 Agency of Administration in fiscal year 2023 for the provision of grants to
11 reimburse employers for the cost of providing COVID-19-related sick leave.
12 Not more than five percent of the amount appropriated pursuant to this
13 subdivision (2) may be used for expenses related to program administration
14 and outreach.

15 (b) As used in this section:

16 (1) “Agency” means the Agency of Administration.

17 (2) “COVID-19-related reason” means the employee is:

18 (A) self-isolating because the employee has been diagnosed with
19 COVID-19 or tested positive for COVID-19;

20 (B) self-isolating pursuant to the recommendation of a health care
21 provider or a State or federal public health official because the employee has

1 been exposed to COVID-19 or the employee is experiencing symptoms of
2 COVID-19;

3 (C) caring for a parent, grandparent, spouse, child, sibling, parent-in-
4 law, grandchild, or foster child, because:

5 (i) the school or place of care where that individual is normally
6 located during the employee’s workday is closed due to COVID-19;

7 (ii) that individual has been requested not to attend the school or
8 the place of care where that individual is normally located during the
9 employee’s workday due to COVID-19;

10 (iii) that individual has been diagnosed with or tested positive for
11 COVID-19; or

12 (iv) that individual is self-isolating pursuant to the
13 recommendation of a health care provider or a State or federal public health
14 official because that individual has been exposed to or is experiencing
15 symptoms of COVID-19;

16 (D) attending an appointment for the employee or the employee’s
17 parent, grandparent, spouse, child, sibling, parent-in-law, grandchild, or foster
18 child to receive a vaccine or a vaccine booster for protection against COVID-
19 19; or

20 (E) experiencing symptoms, or caring for a parent, grandparent,
21 spouse, child, sibling, parent-in-law, grandchild, or foster child who is

1 experiencing symptoms, related to a vaccine or a vaccine booster for protection
2 against COVID-19.

3 (3) “Employee” means an individual who, in consideration of direct or
4 indirect gain or profit, is employed by an employer to perform services in
5 Vermont.

6 (4) “Employer” means any person that has one or more employees
7 performing services for it in Vermont. “Employer” does not include the State
8 or the United States.

9 (5) “Program” means the COVID-19-Related Paid Leave Grant Program
10 established pursuant to this section.

11 (6) “Program period” means the period beginning on January 1, 2022
12 and ending on December 31, 2022.

13 (7) “Secretary” means the Secretary of Administration.

14 (c)(1) An employer may apply to the Secretary for one or more grants to
15 reimburse the employer for the cost of paid leave provided to its employees for
16 COVID-19-related reasons during the program period.

17 (2) An employer’s grant amount may include reimbursement for
18 retroactively provided COVID-19-related paid leave to employees who took
19 unpaid leave for a COVID-19-related reason during the program period
20 because the employee did not have sufficient accrued paid leave available at
21 the time that the employee took the leave.

1 (3) Employers may submit applications for grants not more than once
2 each calendar month for paid leave provided during the program period
3 between the beginning of the program period or the employer’s previous
4 application, whichever is later, and the date of the employer’s current
5 application.

6 (4) For the sole purpose of administering grants related to paid leave
7 provided to independent direct support providers for COVID-19-related
8 reasons, ARIS Solutions, as the fiscal agent for the employers of the
9 independent direct support providers, shall have the authority to apply for a
10 grant in the same manner as any employer.

11 (d)(1) The Secretary shall:

12 (A) adopt procedures for implementing the Program, which shall
13 include a simple grant application process, a process to allow employers to
14 certify the amount of paid leave provided for COVID-19-related reasons, and a
15 process to allow employers to report on their use of the grant funds awarded
16 pursuant to this section;

17 (B) promote awareness of the Program to employers;

18 (C) award grants to employers on a first-come, first-served basis,
19 subject to available funding; and

1 (D) develop and implement an audit strategy to assess grant
2 utilization, the performance of the Program, and compliance with Program
3 requirements.

4 (2)(A) The Secretary may delegate administration of one or more
5 aspects of the Program to other agencies and departments of the State.

6 (B) The Secretary may enter into agreements, memoranda of
7 understanding, or contracts with private entities as necessary to implement or
8 administer the Program and, notwithstanding any provision of law to the
9 contrary, shall not be required to competitively bid any contracts entered into
10 pursuant to this subdivision (2)(B). For the purposes of the Program, the
11 ongoing public health risk posed by COVID-19 shall be deemed to be an
12 emergency situation that justifies the execution of sole source contracts
13 pursuant to Bulletin 3.5, the State’s Procurement and Contracting Procedures.

14 (e)(1) Employers may apply for grants to either reimburse a portion of the
15 cost of COVID-19-related paid leave provided to employees or to provide
16 funds to be used to retroactively provide paid leave to employees who took
17 unpaid leave for COVID-19-related reasons.

18 (A) For reimbursement of COVID-19-related paid leave that was
19 already provided, the employer may, subject to the limitations of
20 subdivision (2) of this subsection (e), apply for a grant in an amount equal the
21 number of hours of COVID-19-related paid leave provided to each employee

1 multiplied by the greater of either the 67 percent of the minimum wage
2 established pursuant to 21 V.S.A. § 384 or 67 percent of the employee's
3 regular hourly wage.

4 (B) For COVID-19-related paid leave that will be provided
5 retroactively to employees who took unpaid leave for COVID-19-related
6 reasons, the employer may, subject to the limitations of subdivision (2) of this
7 subsection (e), apply for a grant in an amount equal the number of hours of
8 COVID-19-related paid leave to be provided to each employee multiplied by
9 the greater of either the 67 percent of the minimum wage established pursuant
10 to 21 V.S.A. § 384 or 67 percent of the employee's regular hourly wage.

11 (2)(A) An employer may only apply for a grant in relation to COVID-
12 19-related leave that was taken by an employee during the program period.

13 (B) The maximum number of hours of COVID-19-related leave for
14 each employee that an employer may seek grant funding for through the
15 Program shall equal the lesser of 80 hours or two times the employee's average
16 weekly hours worked for the employer during the six months preceding the
17 date of the first application relating to that employee.

18 (C) The maximum amount that an employer shall be eligible to
19 receive for COVID-19-related paid leave for each employee shall be not more
20 than \$27.50 per hour of leave, with an aggregate maximum of \$2,200.00 per
21 employee during the program period.

1 (f) As a condition of being eligible to receive a grant through the Program,
2 each employer shall be required to certify:

3 (1) that the employer is not seeking funds in relation to any amounts of
4 paid leave that were deducted from the employee’s accrued paid leave balance
5 at the time the COVID-19-related leave was taken unless those amounts have
6 been restored to the employee’s accrued paid leave balance;

7 (2) grant funds shall only be used in relation to the payment of an
8 employee’s wages for the period when the employee was absent from work for
9 a COVID-19-related reason; and

10 (3) employees receiving paid leave funded by a grant shall not be
11 required to pay an administrative fee or other charge in relation to the
12 employer requesting the grant.

13 (g) Each employer that receives a grant shall, not later than March 1, 2023,
14 report to the Agency on a form provided by the Secretary the amount of grant
15 funds used to provide paid leave to employees and the amount of any
16 remaining grant funds that were not spent. All unspent grant funds shall be
17 returned to the Agency pursuant to a procedure adopted by the Secretary.

18 (h) Any personally identifiable information that is collected by the
19 Program, any entity of State government performing a function of the Program,
20 or any entity that the Secretary contracts with to perform a function of the

1 Program shall be kept confidential and shall be exempt from inspection and
2 copying under the Public Records Act.

3 * * * Study of Paid Family and Medical Leave Insurance * * *

4 Sec. 55b. FINDINGS

5 The General Assembly finds that:

6 (1) The COVID-19 pandemic highlighted the challenges that a lack of
7 paid leave poses to employees who must be absent from work for an extended
8 period of time due to illness or caregiving needs.

9 (2) Paid family and medical leave insurance would provide essential
10 income replacement for employees who must be absent from work for an
11 extended period of time due to illness, caregiving needs, or the birth or
12 adoption of a child.

13 (3) Paid family and medical leave insurance would mitigate the impact
14 of absences on employers by providing an affordable means of providing paid
15 leave to employees while improving employee retention.

16 Sec. 55c. PAID FAMILY AND MEDICAL LEAVE; TASK FORCE;

17 REPORT

18 (a) Creation. There is created the Paid Family and Medical Leave
19 Insurance Task Force to reexamine the work and report of the Study
20 Committee on Employee Funded Paid Leave created pursuant to 2013 Acts
21 and Resolves No. 31, Sec. 13 and to investigate proven and tested paid family

1 and medical leave insurance programs in the United States in order to develop
2 an understanding of the best practices and implementation possibilities for the
3 potential enactment of an equitable and affordable paid family and medical
4 leave insurance program in Vermont, which may include both universal and
5 voluntary models.

6 (b) Membership. The Task Force shall be composed of the following
7 members:

8 (1) three current members of the House of Representatives, not all from
9 the same political party, who shall be appointed by the Speaker of the House;
10 and

11 (2) three current members of the Senate, not all from the same political
12 party, who shall be appointed by the Committee on Committees.

13 (c) Powers and duties.

14 (1) The Task Force shall examine the establishment of a paid family and
15 medical leave program in Vermont, including the following:

16 (A) the potential for creating a paid family and medical leave
17 insurance program in Vermont based on the experience of and best practices
18 from currently operating paid family and medical leave insurance solutions in
19 the United States that provide leave for the following purposes:

20 (i) bonding with a newborn or adopted child;

21 (ii) caring for an ill or injured family member;

1 (iii) the employee’s own illness or injury; and

2 (iv) exigencies related to a family member serving in the U.S.

3 Armed Forces;

4 (B) based on the solutions examined pursuant to subdivision (1) of
5 this subsection, develop and examine models and projections for the startup
6 and implementation of similar solutions in Vermont, including:

7 (i) potential start-up and administrative costs;

8 (ii) administrative requirements and considerations;

9 (iii) advantages relative to the other models;

10 (iv) examples from other jurisdictions and the experience of the
11 programs in those jurisdictions;

12 (v) benefits and drawbacks; and

13 (vi) any other considerations that the Task Force determines are
14 relevant;

15 (C) opportunities to utilize tested and proven administrative models
16 or public-private partnerships to reduce administrative costs of a paid family
17 and medical leave insurance program or to enable a paid family and medical
18 leave insurance benefits to be established more quickly; and

19 (D) considerations related to the potential enactment of a federal paid
20 family and medical leave insurance program, including any measures that may

1 be necessary to ensure that a potential State program could adapt to and
2 complement the coverage provided by any federal program.

3 (2) The Task Force shall consult with affected stakeholders and
4 interested parties, including stakeholders and interested parties representing:

5 (A) the labor community;

6 (B) Vermont businesses;

7 (C) groups advocating for gender equity;

8 (D) Vermonters who are Black, Indigenous, or a Person of Color; and

9 (E) children and families.

10 (d) Assistance.

11 (1) The Task Force shall have the administrative assistance of the Office
12 of Legislative Operations, the technical assistance of the Joint Fiscal Office,
13 and the legal assistance of the Office of Legislative Counsel.

14 (2) The Task Force may contract with one or more entities or
15 individuals for purposes of modeling and actuarial projections.

16 (e) Report. On or before January 15, 2023, the Task Force shall submit a
17 written report to the House Committee on General, Housing, and Military
18 Affairs and the Senate Committee on Economic Development, Housing and
19 General Affairs with its findings and any recommendations for legislative
20 action. The Task Force’s report may take the form of draft legislation.

1 (f) Meetings.

2 (1) The Office of Legislative Operations shall call the first meeting of
3 the Committee to occur on or before September 15, 2022.

4 (2) The Task Force shall select a chair from among its members at the
5 first meeting.

6 (3) A majority of the membership shall constitute a quorum.

7 (4) The Task Force shall cease to exist on January 30, 2023.

8 (g) Compensation and reimbursement. For attendance at meetings during
9 adjournment of the General Assembly, a legislative member of the Task Force
10 shall be entitled to per diem compensation and reimbursement of expenses
11 pursuant to 2 V.S.A. § 23 for not more than six meetings.

12 (h) Appropriation. The sum of \$200,000.00 is appropriated to the General
13 Assembly from the American Rescue Plan Act (ARPA) – Coronavirus State
14 Fiscal Recovery Funds in fiscal year 2023 for per diem compensation and
15 reimbursement of expenses for members of the Task Force and for expenses
16 related to modeling and actuarial projections.

17 * * * Unemployment Insurance Benefits * * *

18 Sec. 55d. FINDINGS

19 The General Assembly finds that:

20 (1) The COVID-19 pandemic caused significant disruption to
21 Vermont’s economy and resulted in unprecedented levels of unemployment.

1 (2) Unemployment insurance benefits provide only partial wage
2 replacement, making it hard for unemployed individuals to afford basic
3 necessities and living expenses.

4 (3) Significant inflation caused by supply chain, economic, and
5 workforce disruptions related to the COVID-19 pandemic are making it
6 increasingly difficult for unemployed individuals to afford basic necessities
7 and living expenses.

8 (4) Temporarily increasing the weekly unemployment insurance benefit
9 amount for unemployed individuals will help to mitigate the impact of the
10 COVID-19 pandemic on the unemployed individuals' ability to afford basic
11 necessities and living expenses.

12 (5) The General Assembly previously enacted a \$25.00 supplemental
13 increase to the weekly unemployment insurance benefit amount in 2021 Acts
14 and Resolves No. 51, Sec. 11. However, the terms of that supplemental
15 increase did not conform to federal requirements, and it never took
16 effect. Enacting a supplemental \$25.00 weekly unemployment insurance
17 benefit that will later be replaced by a temporary \$25.00 increase in the weekly
18 unemployment insurance benefit amount will fulfill the commitment made by
19 the General Assembly in 2021 Acts and Resolves No. 51, Sec. 11.

1 Sec. 55e. 2021 Acts and Resolves No. 51, Sec. 17(a)(4) is amended to read:

2 (4) Sec. 12 (repeal of supplemental weekly benefit) shall take effect
3 ~~upon the payment of a cumulative total of \$100,000,000.00 in supplemental~~
4 ~~benefits pursuant to 21 V.S.A. § 1338(e)(2) on October 7, 2021~~ and shall apply
5 prospectively to all benefit payments in the next week and each subsequent
6 week.

7 Sec. 55f. 21 V.S.A. § 1341 is added to read:

8 § 1341. UNEMPLOYMENT INSURANCE COVID-19 SUPPLEMENTAL
9 BENEFIT

10 (a) Beginning on July 1, 2022, in addition to the amount of regular
11 unemployment insurance benefits provided pursuant to section 1338 of this
12 title, each individual who qualifies for benefits pursuant to the provisions of
13 this chapter shall receive a separate supplemental benefit of \$25.00 each week.

14 (b) Benefits provided pursuant to this section shall be paid from the
15 Unemployment Insurance COVID-19 Supplemental Benefit Special Fund
16 established pursuant to section 1342 of this chapter.

17 Sec. 55g. 21 V.S.A. § 1342 is added to read:

18 § 1342. UNEMPLOYMENT INSURANCE COVID-19 SUPPLEMENTAL
19 BENEFIT SPECIAL FUND

20 There is established the Unemployment Insurance COVID-19 Supplemental
21 Benefit Special Fund, which shall be managed in accordance with 32 V.S.A.

1 chapter 7, subchapter 5. The Fund shall consist of any amounts appropriated to
2 the Fund. The Commissioner may seek and accept grants from any source,
3 public or private, to be dedicated for deposit into the Special Fund. The
4 Commissioner shall use the Fund to provide the Supplemental Benefit
5 established pursuant to section 1341 of this chapter and to pay all necessary
6 costs associated with the administration of the Supplemental Benefit and of the
7 Fund.

8 Sec. 55h. APPROPRIATION

9 \$8,000,000.00 is appropriated from the American Rescue Plan Act (ARPA)
10 – Coronavirus State Fiscal Recovery Funds to the Unemployment Insurance
11 COVID-19 Supplemental Benefit Special Fund established pursuant to
12 21 V.S.A. § 1342. Not more than five percent of the amount appropriated may
13 be used for administrative costs related to the implementation and payment of
14 the Unemployment Insurance COVID-19 Supplemental Benefit established
15 pursuant to 21 V.S.A. § 1341.

16 Sec. 55i. REPEALS

17 21 V.S.A. § 1341 (Unemployment Insurance COVID-19 Supplemental
18 Benefit) and 21 V.S.A. § 1342 (Unemployment Insurance COVID-19
19 Supplemental Benefit Special Fund) are repealed on July 1, 2024.

1 Sec. 55j. 21 V.S.A. § 1338 is amended to read:

2 § 1338. WEEKLY BENEFITS

3 * * *

4 (e) An individual's weekly benefit amount shall be determined by dividing
5 the individual's two high quarter total subject wages required under
6 subdivision (d)(1) of this section by 45 and adding \$25.00 to the resulting
7 quotient, provided that the weekly benefit amount so determined shall not
8 exceed the maximum weekly benefit amount computed pursuant to
9 subsection (f) of this section.

10 (f)(1) The maximum weekly benefit amount shall be annually adjusted on
11 the first day of the first calendar week in July to an amount equal to the sum of
12 \$25.00 plus 57 percent of the State annual average weekly wage as determined
13 by subsection (g) of this section.

14 * * *

15 Sec. 55k. MODIFICATION OF UNEMPLOYMENT INSURANCE

16 MAINFRAME CODE; ANNUAL REPORT; INDEPENDENT
17 VERIFICATION

18 (a)(1) The Commissioner of Labor shall develop and implement changes to
19 the unemployment insurance mainframe software or develop a modernized
20 information technology system necessary to implement on January 1, 2025 the
21 changes to the unemployment insurance weekly benefit amount enacted

1 pursuant to Sec. 14j of this act. The changes to the mainframe or the
2 modernized information technology system, as applicable, shall be developed
3 and implemented in a manner that minimizes risk to the operation of the
4 mainframe and the functions of the unemployment insurance program.

5 (2) The Commissioner of Labor and the Secretary of Digital Services
6 shall, to the greatest extent possible, plan and carry out the development and
7 implementation of a modernized information technology system for the
8 unemployment insurance program so that the modernized system is available
9 in time to implement on January 1, 2025 the changes to the unemployment
10 insurance weekly benefit amount enacted pursuant to Sec. 14j of this act.

11 (b) The Commissioner of Labor shall, on or before January 15, 2023 and
12 January 15, 2024, submit a written report to the House Committee on
13 Commerce and Economic Development, the Senate Committee on Economic
14 Development, Housing and General Affairs, and the Legislative Information
15 Technology Consultant retained by the Joint Fiscal Office detailing the actions
16 taken and progress made in carrying out the requirements of subsection (a) of
17 this section, the anticipated timeline for being able to implement the changes to
18 the unemployment insurance weekly benefit amount enacted pursuant to
19 Sec. 14j of this act, and potential implementation risks identified during the
20 development process.

1 (A) \$1,200,000.00 to support a regional relocation network; and

2 (B) \$3,000,000.00 for marketing and promotion.

3 (c) COVID economic support. In fiscal year 2022, the amount of
4 \$20,000,000.00 is appropriated from the American Rescue Plan Act (ARPA) –
5 Coronavirus State Fiscal Recovery Funds as follows:

6 (1) VEDA Short-Term Forgivable Loan Program. \$15,000,000.00 to
7 the Vermont Economic Development Authority for the VEDA Short-Term
8 Forgivable Loan Program.

9 (2) Creative economy grants. \$5,000,000.00 to the Vermont Arts
10 Council to provide grants for monthly operating costs, including rent,
11 mortgage, utilities, and insurance, to creative economy businesses and
12 nonprofits that have sustained substantial losses due to the pandemic.

13 (d) Downtown development. Of the amounts appropriated to the Agency
14 of Commerce and Community Development in fiscal year 2023 for the Better
15 Places Program, Think Vermont initiative, or other programs that promote
16 downtown development, the Agency may allocate not more than \$485,000.00
17 to provide funding to one or more nonprofit organizations that sponsor a
18 downtown designation to:

19 (1) expand the ability of the downtown organizations to educate, guide,
20 and partner with businesses, nonprofits, and community organizations to

1 strengthen downtown models and leverage State funding to incentivize broader
2 participation;

3 (2) support marketing, content development, and increased digital reach
4 for downtown organizations, individually and collectively; and

5 (3) support communication within the coordinated effort of these State-
6 mandated organizations to leverage successes.

7 (e) Community-based economic development. It is the intent of the
8 General Assembly that up to \$11,000,000.00 of funding be provided in fiscal
9 year 2023 in other legislation for the following community-based economic
10 development initiatives:

11 (1) the Department of Forests, Parks and Recreation Vermont Outdoor
12 Recreation Economic Collaborative (VOREC) Community Grant Program;
13 and

14 (2) the Department of Economic Development grant program for
15 remediation and redevelopment of brownfield sites.

16 * * * Sports Betting Study Committee * * *

17 Sec. 57. SPORTS BETTING; FINDINGS

18 The General Assembly finds that:

19 (1) An estimated 28 percent of adults in the United States bet on sports
20 and 46 percent of adults say that they have an interest in betting on sports.

1 (2) Based on current participation rates and expected growth, it is
2 estimated that Vermont could generate from \$640,000.00 to \$4.8 million in the
3 first year of sports betting revenue taxes and \$1.3 million to \$10.3 million in
4 the second year, depending on the regulatory model chosen by the General
5 Assembly.

6 (3) As of March 2022, 31 states and the District of Columbia have some
7 form of active legal sports betting operations while an additional three states
8 have enacted laws or adopted ballot measures to permit legal sports betting.

9 (4) Legislation has also been introduced in at least 14 of the states
10 without a legal sports betting market, including Vermont, to legalize, regulate,
11 and tax sports betting.

12 (5) Given the widespread participation in sports betting, the General
13 Assembly finds that careful examination of whether and how best to regulate
14 sports betting in Vermont and protect Vermonters involved in sports betting is
15 necessary.

16 Sec. 57a. SPORTS BETTING; STUDY COMMITTEE; REPORT

17 (a) Creation. There is created the Sports Betting Study Committee to
18 examine whether and how to regulate sports betting in Vermont.

19 (b) Membership. The Study Committee shall be composed of the
20 following members:

21 (1) the Attorney General or designee;

1 (2) the Commissioner of Liquor and Lottery or designee;

2 (3) the Commissioner of Taxes or designee;

3 (4) the Secretary of State or designee;

4 (5) the Secretary of Commerce and Community Development or
5 designee;

6 (6) two current members of the Senate, who shall be appointed by the
7 Committee on Committees; and

8 (7) two current members of the House, who shall be appointed by the
9 Speaker of the House.

10 (c) Powers and duties. The Study Committee shall examine the sports
11 betting study conducted by the Office of Legislative Counsel and Joint Fiscal
12 Office and shall study various models for legalizing, taxing, and regulating
13 sports betting, including the following issues:

14 (1) studies carried out by other states concerning the legalization,
15 taxation, and regulation of sports betting;

16 (2) laws enacted by other states to legalize, tax, and regulate sports
17 betting;

18 (3) potential models for legalizing and regulating sports betting in
19 Vermont, including any advantages or drawbacks to each model;

20 (4) potential models for legalizing and regulating online sports betting,
21 including any advantages or drawbacks to each model;

1 (5) potential tax and fee structures for sports betting activities;

2 (6) potential restrictions or limitations on the types of sports that may be
3 bet on, including whether and to what extent restrictions should be imposed
4 with respect to the participant age, amateur status, and location of sporting
5 events that may be bet on; and

6 (7) potential impacts on various socioeconomic and demographic groups
7 and on problem gambling and the resources necessary to address the identified
8 impacts.

9 (d) Assistance. The Committee shall have the administrative, technical,
10 and legal assistance of the Office of Legislative Council and the Joint Fiscal
11 Office.

12 (e) Report. On or before December 15, 2022, the Study Committee shall
13 submit a written report to the House Committee on General, Housing, and
14 Military Affairs and the Senate Committee on Economic Development,
15 Housing and General Affairs with its findings, recommendations for legislative
16 action, and a draft of proposed legislation.

17 (f) Meetings.

18 (1) The Attorney General or designee shall call the first meeting of the
19 Committee to occur on or before September 1, 2022.

20 (2) The Committee shall select a chair from among its members at the
21 first meeting.

1 (3) A majority of the membership shall constitute a quorum.

2 (4) The Committee shall cease to exist on December 30, 2022.

3 (g) Compensation and reimbursement. For attendance at meetings during
4 adjournment of the General Assembly, legislative members of the Committee
5 -serving in their capacity as a legislator shall be entitled to per diem
6 compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for
7 not more than four meetings. These payments shall be made from monies
8 appropriated to the General Assembly.

9 * * * SALT Deduction Cap Work-Around * * *

10 Sec. 58. 32 V.S.A. chapter 151, subchapter 10C is added to read:

11 Subchapter 10C. Elective Pass-Through Entity Business Income Tax

12 § 5921a. DEFINITIONS

13 As used in this subchapter:

14 (1) “Distributive proceeds” means the net income, dividends, royalties,
15 interest, rents, guaranteed payments, and gains of a pass-through entity derived
16 from or connected with sources within the State.

17 (2) “Member” means a member of a limited liability company; a partner
18 in a general, limited, or limited liability partnership; or a shareholder of an S
19 corporation, provided the member is a natural person.

20 (3) “Pass-through entity” means a limited liability company, a
21 partnership, or an S corporation.

1 (4) “Pass-through entity business income tax” means the tax imposed
2 under this subchapter.

3 (5) “Share of distributive proceeds” means the portion of distributive
4 proceeds attributable to a member of a pass-through entity during a taxable
5 year.

6 § 5921b. PASS-THROUGH ENTITY BUSINESS INCOME TAX;

7 ELECTION

8 (a) A pass-through entity may elect to be liable for and pay a pass-through
9 entity business income tax during the taxable year, provided:

10 (1) at least one member of the entity is liable for income tax under this
11 chapter on that member’s share of distributive proceeds of the pass-through
12 entity during a taxable year;

13 (2) each member of the pass-through entity is a natural person and no
14 member is a C corporation or a pass-through entity; and

15 (3) consent is given by:

16 (A) each member of the electing entity who is a member at the time
17 the election is filed; or

18 (B) any officer, manager, or member of the electing entity who is
19 authorized, under law or the entity’s organizational documents, to make the
20 election and who represents having such authority under penalties of perjury.

1 (b) The tax imposed on a pass-through entity under this section shall be
2 equal to the sum of each member’s share of taxable distributive proceeds
3 attributable to the pass-through entity for the taxable year, multiplied by the
4 second-highest marginal tax rate in section 5822 of this chapter.

5 (c) The election under this section shall be made annually, on or before the
6 due date for filing the entity’s return as established by the Commissioner, and
7 shall not apply retroactively. An election made under this section shall be
8 binding on all members of the pass-through entity for the year in which the
9 election is made. If the members decide to revoke an election, that revocation
10 shall occur on or before the due date for filing the entity’s return.

11 (d) Each pass-through entity that makes an election for a taxable year under
12 this section shall annually report to each of its members the member’s share of
13 distributive proceeds for the taxable year.

14 (e) Each pass-through entity that makes an election for a taxable year under
15 this section shall file an entity tax return and make payments on or before the
16 15th day of the third month following the close of each entity’s taxable year as
17 determined for federal income tax purposes. A pass-through entity shall make
18 estimated entity tax payments as provided under subchapters 10A and 10B of
19 this chapter except that a pass-through entity shall make the estimated entity
20 tax payments for residents and nonresidents alike.

1 (f) A member of a pass-through entity shall not be liable for the individual
2 income tax imposed under section 5822 of this chapter and shall not be
3 required to file an individual income tax return as prescribed under section
4 5861 of this chapter, provided:

5 (1) the member is a nonresident of this State; and

6 (2) the member's only Vermont income during the taxable year is
7 derived from a pass-through entity that has paid the tax imposed under this
8 section on the member's Vermont income.

9 § 5921c. REFUNDABLE INCOME TAX CREDIT; INDIVIDUAL

10 MEMBERS OF PASS-THROUGH ENTITIES

11 An individual taxpayer of this State shall be entitled to a refundable credit
12 against the income tax paid under this chapter for the taxable year, provided
13 the individual is a member of a pass-through entity that elects under section
14 5921b of this chapter to be liable for and pay the pass-through entity business
15 income tax during the taxable year. For each pass-through entity of which the
16 individual is a member, the amount of the credit shall equal 90 percent of the
17 individual's pro rata share of the tax paid under section 5921b of this chapter
18 for the taxable year, and that credit shall be available to the member during the
19 same taxable year. The credit under this section shall be available after the
20 application of all other credits allowed by law and claimed by the individual
21 during the taxable year.

1 Sec. 58a. 32 V.S.A. § 5825 is amended to read:

2 § 5825. CREDIT FOR TAXES PAID TO OTHER STATES AND
3 PROVINCES

4 * * *

5 (c) The credit claimed under this section shall include an amount of the tax
6 paid to another state that imposes a tax on the distributive proceeds of a pass-
7 through entity, provided the other state’s tax is substantially similar to the pass-
8 through entity business income tax imposed under subchapter 10C of this
9 chapter. The nonrefundable credit under this subsection shall equal 90 percent
10 of the taxpayer’s pro rata share of tax paid to another state, provided the
11 amount of the credit does not exceed the amount of pass-through entity
12 business income tax owed or that would have been owed if the pro rata share
13 of tax paid were subject to the pass-through entity business income tax under
14 subchapter 10C of this chapter. As used in this subsection, “distributive
15 proceeds” and “pass-through entity” shall have the same meanings as under
16 section 5921a of this chapter.

17 Sec. 58b. CONSENSUS ESTIMATE; REPORT; SALT DEDUCTION CAP
18 WORK-AROUND

19 The Commissioner of Taxes, in consultation with the Joint Fiscal Office,
20 shall conduct a fiscal analysis and reach a consensus estimate of the revenue
21 impact to this State of the elective pass-through entity business income tax and

1 credits created under this act. On or before January 15, 2023, the
2 Commissioner and the Joint Fiscal Office shall submit a written report to the
3 House Committees on Commerce and Economic Development and on Ways
4 and Means and the Senate Committees on Economic Development, Housing
5 and General Affairs and on Finance detailing the consensus estimate conducted
6 under this section, including whether the consensus estimate demonstrates that
7 the tax and credits created under this act are projected to have a neutral or
8 positive impact on the revenues of this State.

9 * * * Downtown Tax Credits * * *

10 Sec. 59. 32 V.S.A. § 5930ee is amended to read:

11 § 5930ee. LIMITATIONS

12 Beginning in fiscal year ~~2010~~ 2023 and thereafter, the State Board may
13 award tax credits to all qualified applicants under this subchapter, provided
14 that:

15 (1) the total amount of tax credits awarded annually, together with sales
16 tax reallocated under section 9819 of this title, does not exceed ~~\$3,000,000.00~~
17 \$4,350,000.00 with up to \$1,000,000.00 awarded to qualified projects in
18 neighborhood development areas;

19 * * *

1 Sec. 59a. 32 V.S.A. § 5930ee is amended to read:

2 § 5930ee. LIMITATIONS

3 Beginning in fiscal year ~~2023~~ 2025 and thereafter, the State Board may
4 award tax credits to all qualified applicants under this subchapter, provided
5 that:

6 (1) the total amount of tax credits awarded annually, together with sales
7 tax reallocated under section 9819 of this title, does not exceed ~~\$4,350,000.00~~
8 ~~with up to \$1,000,000.00 awarded to qualified projects in neighborhood~~
9 ~~development areas~~ \$3,000,000.00;

10 * * *

11 Sec. 59b. FY 2024 DOWNTOWN AND VILLAGE CENTER TAX CREDIT

12 PROGRAM OFFSET

13 In fiscal year 2023, the amount of \$1,350,000.00 shall be carried forward
14 within the General Fund to be available in fiscal year 2024 to provide onetime
15 increased fiscal capacity for the Downtown and Village Center Tax Credit
16 Program.

17 Sec. 60. 9 V.S.A. § 2464e is added to read:

18 § 2464e. ROBOCALLS; PROHIBITION; PENALTY

19 (a) Intent. It is the intent of the General Assembly in adopting this section:

20 (1) to create a State law prohibition on the use of automatic telephone
21 dialing systems and on the placement of robocalls to Vermont consumers that

1 is coextensive with the federal limitations created in the Telephone Consumer
2 Protection Act and the Telemarketing and Consumer Fraud and Abuse
3 Prevention Act; and

4 (2) to continue to permit certain robocalls to the extent they are allowed
5 under federal law, including:

6 (A) calls made for an emergency purpose;

7 (B) calls made with the prior express written consent of the called
8 party;

9 (C) calls conveying messages that are purely informational;

10 (D) calls concerning the collection of a debt but not including calls
11 that attempt to sell consumers services to reduce debt;

12 (E) political calls;

13 (F) calls from health care providers; and

14 (G) messages from charities, provided that if the call originates from
15 a person whom the charity hires to make a call on the charity's behalf, the call
16 may only go to members of the charity or prior donors, and provided further
17 that such callers include an automated option to allow a consumer to stop
18 future calls.

19 (b) Definitions. As used in this section, "automatic telephone dialing
20 system" means equipment that has the capacity:

1 (1) to store or produce telephone numbers to be called, using a random
2 or sequential number generator; and

3 (2) to dial such numbers.

4 (c) Prohibition. A person shall not initiate a telephone call to a Vermont
5 consumer using an automatic telephone dialing system or an artificial or
6 prerecorded voice in violation of the federal Telephone Consumer Protection
7 Act, 47 U.S.C. § 227, or the federal Telemarketing and Consumer Fraud and
8 Abuse Prevention Act, 15 U.S.C. §§ 6101–6108, and the regulations adopted
9 pursuant to those laws.

10 (d) Civil violation.

11 (1) A violation of this section constitutes a violation of section 2453 of
12 this title.

13 (2) Each prohibited telephone call constitutes a separate violation under
14 this subsection.

15 (3)(A) A person who receives a telephone call in violation of this
16 section may bring an action in Superior Court for damages or a civil penalty,
17 injunctive relief, punitive damages in the case of a willful violation, and
18 reasonable costs and attorney’s fees.

19 (B) The court may issue an award for the greater of a person’s
20 damages or a civil penalty of \$500.00 for a first violation and \$1,000.00 for
21 each subsequent violation.

1 (e) Criminal penalties.

2 (1) A person who violates this section shall be imprisoned for not more
3 than 90 days or fined not more than \$1,000.00 per violation, or both.

4 (2) Each telephone call constitutes a separate violation under this
5 subsection.

6 (f) The Attorney General shall exercise his or her authority and discretion
7 to work cooperatively with other state and federal government entities to
8 identify callers who initiate robocalls to consumers in violation of this section
9 and to enforce the provisions of this section regardless of the location of the
10 caller.

11 * * * Effective Dates * * *

12 Sec. 61. EFFECTIVE DATES

13 (a) This act shall take effect on July 1, 2022, except as otherwise provided
14 in this section.

15 (b) Sec. 30 (18 V.S.A. § 9456) shall take effect on January 1, 2023 and
16 shall apply to hospital fiscal years 2024 and after.

17 (c) Sec. 49 (Capital Investment Grant Program), Sec. 50 (VEDA Short-
18 Term Forgivable Loan Program), and Sec. 15(b)–(d) (appropriations) shall take
19 effect on passage.

1 (d) Notwithstanding 1 V.S.A. § 214, Sec. 55e (repeal of prior
2 unemployment insurance supplemental benefit) shall take effect retroactively
3 on October 7, 2021.

4 (e)(1) Sec. 55f (temporary unemployment insurance supplemental benefit)
5 shall take effect on July 1, 2022 and shall apply to benefit weeks beginning
6 after that date.

7 (2) Secs. 55g (special fund), 55h (appropriation for temporary
8 unemployment insurance supplemental benefit), and 55i (sunset of
9 Unemployment Insurance Supplemental Benefit) shall take effect on July 1,
10 2022.

11 (f) Sec. 55j (increase in unemployment insurance weekly benefit amount)
12 shall take effect on July 1, 2024 and shall apply to benefit weeks beginning
13 after that date.

14 (g) Sec. 55l (prospective repeal of unemployment insurance benefit
15 increase) shall take effect upon the payment of a cumulative total of
16 \$92,000,000.00 in additional benefits pursuant to 21 V.S.A. § 1338(e) when
17 compared to the rate at which benefits would have been paid under the formula
18 set forth in 21 V.S.A. § 1338(e) on June 30, 2024 and shall apply to benefit
19 weeks beginning after that date.

20 (h) Sec. 55k (report on implementation of change to unemployment
21 insurance weekly benefit) shall take effect on passage.

1 (i) Sec. 59a (future amendment to 32 V.S.A. § 5930ee) shall take effect on
2 July 1, 2024.

3 (j) Notwithstanding 1 V.S.A. § 214, Secs. 58 and 58a (SALT deduction cap
4 work-around) shall take effect retroactively on January 1, 2022 and shall apply
5 to taxable years beginning on and after January 1, 2022.

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13 (Committee vote: _____)

14

15

Senator _____

16

FOR THE COMMITTEE