

1 TO THE HONORABLE SENATE:

2 The Committee on Finance to which was referred House Bill No. 159  
3 entitled “An act relating to community and economic development and  
4 workforce revitalization” respectfully reports that it has considered the same  
5 and recommends that the Senate propose to the House that the bill be amended  
6 as follows:

7 First: In Sec. 8, tax increment financing project development; pilot  
8 program, in subdivision (f)(2), by striking out the last sentence.

9 Second: In Sec. 8, tax increment financing project development; pilot  
10 program, in subsection (e), in subdivision (1)(B)(ii), by striking out “and”  
11 and in subdivision (e)(1)(B)(iii)(IV), after “project” by striking out the  
12 period and inserting ; and

13 and after subdivision (e)(1)(B)(iii), by inserting a subdivision (iv) to read as  
14 follows:

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

18 Third: In Sec. 8, tax increment financing project development; pilot  
19 program, in subdivision (h)(1), in the second sentence, after “In each year” by  
20 striking out “for which the assessed valuation exceeds the original taxable

1 ~~value~~” and in subdivision (h)(3), in the second sentence, by striking out  
2 “within the district”

3 Fourth: In Sec. 8, tax increment financing project development; pilot  
4 program, in subsection (i), by striking out subdivision (3) in its entirety.

5 Fifth: In Sec. 8, tax increment financing project development; pilot  
6 program, in subsection (k), in subdivision (3)(B), by striking out “February 15”  
7 and inserting in lieu thereof October 1

8 Sixth: In Sec. 8, tax increment financing project development; pilot  
9 program, in subsection (l), by striking out “April”

10 Seventh: In Sec. 8, tax increment financing project development; pilot  
11 program, by striking out subsection (m) in its entirety, and inserting in lieu  
12 thereof the following:

13 (m) Audit; financial reports.

14 (1) The State Auditor of Accounts shall conduct performance audits of  
15 all projects approved under this section. The cost of conducting each audit  
16 shall be considered a “related cost” as defined in subdivision (a)(10) of this  
17 section and shall be billed back to the municipality pursuant to 32 V.S.A.  
18 § 168(b). Audits conducted pursuant to this subsection shall include a review  
19 of a municipality’s adherence to relevant statutes and policies adopted by the  
20 Vermont Economic Progress Council pursuant to subsection (o) of this section,  
21 verification of the original taxable value, an assessment of record keeping

1 related to revenues and expenditures, a validation of the portion of the tax  
2 increment retained by the municipality and used for debt repayment and the  
3 portion directed to the Education Fund, and current balance.

4 (2) The State Auditor shall conduct the audits described in subdivision  
5 (1) of this section (m) based on the following schedule:

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

8 (B) a second audit seven years after completion of the first audit; and

9 (C) a final audit will be conducted at the end of the period for  
10 retention of education increment.

11 Eighth: By striking out Sec. 11, 32 V.S.A. § 5404a(h), in its entirety and  
12 inserting in lieu thereof a new Sec. 11 to read as follows:

13 Sec. 11. [Deleted.]

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16 (Committee vote: \_\_\_\_\_)

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Senator \_\_\_\_\_

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FOR THE COMMITTEE