

1 TO THE HONORABLE SENATE:

2 The Committee on Economic Development, Housing and General Affairs to  
3 which was referred Senate Bill No. 62 entitled “An act relating to creating a  
4 New Vermont Employee Incentive Program” respectfully reports that it has  
5 considered the same and recommends that the bill be amended by striking out  
6 all after the enacting clause and inserting in lieu thereof the following:

7 Sec. 1. INTENT AND PURPOSE

8 It is the intent of the General Assembly and the purpose of this act to:

9 (1) expand the Vermont workforce;

10 (2) attract new residents to the State; and

11 (3) provide support to employers who are unable to fill positions from  
12 among candidates who are already located in this State, whether due to very  
13 low unemployment rate or due to a disconnect between job requirements and  
14 candidate qualifications.

15 Sec. 2. 10 V.S.A. chapter 1 is amended to read:

16 CHAPTER 1. ECONOMIC DEVELOPMENT

17 \* \* \*

18 § 4. **VERMONT RELOCATING EMPLOYEE INCENTIVE PROGRAM**

19 (a) The Agency of Commerce and Community Development shall design  
20 and implement a **Vermont Relocating Employee Incentive Program** to award

1 incentive grants to **relocating employees** as provided in this section and subject  
2 to the policies and procedures the Agency adopts to implement the Program.

3 (b) A **relocating employee** may be eligible for a grant under the Program  
4 for qualifying expenses, subject to the following:

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

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

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

11 (B) the average annual wage in the State exceeds the annual average  
12 wage in the labor market area.

13 (c) The Agency shall:

14 (1) adopt procedures for implementing the Program, which shall include  
15 a simple certification process to certify **relocating employees** and qualifying  
16 expenses;

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

20 (3) award grants to **relocating employees** on a first-come, first-served  
21 basis beginning on July 1, 2021, subject to available funding; and

1           (4) adopt measurable goals, performance measures, and an audit strategy  
2           to assess the utilization and performance of the Program; and

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

7           (1) a description of the policies and procedures adopted to implement  
8           the Program;

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

10           (3) an analysis of the utilization and performance of the Program,  
11           including the projected revenue impacts and other qualitative and quantitative  
12           returns on investment in the Program based on available data and modeling.

13           (e) As used in this section:

14           (1) “Qualifying expenses” means the actual costs a **relocating employee**  
15           incurs for one or more of the following:

16           (A) relocation expenses, which may include moving costs, closing  
17           costs for a primary residence, rental security deposit, one month’s rent  
18           payment, and other relocation expenses established in Agency guidelines;

19           (B) reasonable and necessary costs, considering the employee’s  
20           location and employment position, to access or upgrade broadband internet  
21           connectivity or to acquire membership in a co-working or similar space.

1           (2) “Relocating employee” means an individual who on or after July 1,  
2           2021:

3                   (A) becomes a full-time resident of this State and certifies that the  
4           individual has not owned a residence in this State in the three years prior to  
5           relocation;

6                   (B) is subject to Vermont income tax;

7                   (C) receives gross salary or wages that equal or exceed:

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

9                           (ii) if the employer is located in a labor market area in which the  
10           average annual unemployment rate is higher than the average annual  
11           unemployment rate for the State, 140 percent of the State minimum wage; and

12                   (D)(i)(I) becomes a full-time employee at a Vermont location of a  
13           business domiciled or authorized to do business in this State; and

14                           (II) the employer attests to the Agency that, after reasonable  
15           time and effort, the employer has been unable to fill the employee’s position  
16           from among Vermont applicants; or

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

19           Sec. 3. IMPLEMENTATION; FUNDING; TRANSITION

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

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

4           (2) the funding and activities of the New Worker Relocation Incentive  
5           Program created by 2019 Acts and Resolves No. 80, Sec. 12.

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

10           (1) award incentives to new remote workers and new relocating workers  
11           who qualify for an incentive under either of those programs until July 1, 2021;  
12           and

13           (2) award incentives to relocating employees under the Vermont  
14           Relocating Employee Incentive Program created by this act on or after July 1,  
15           2021.

16           Sec. 4. REPEAL

17           The following are repealed:

18           (1) 2018 Acts and Resolves No. 197, Sec. 1, as amended by 2019 Acts  
19           and Resolves No. 80, Sec. 15 (New Remote Worker Grant Program); and

20           (2) 2019 Acts and Resolves No. 80, Sec. 12 (New Worker Relocation  
21           Incentive Program).

1       Sec. 5. EFFECTIVE DATE

2           (a) This section and Sec. 3 of this act shall take effect on passage.

3           (b) The remaining sections of this act shall take effect on July 1, 2021.

4

5           and that after passage the title of the bill be amended to read: “An act  
6 relating to creating a **Vermont Relocating Employee Incentive Program**”

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10          (Committee vote: \_\_\_\_\_)

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Senator \_\_\_\_\_

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FOR THE COMMITTEE