

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Commerce and Economic Development to which was
3 referred House Bill No. 10 entitled “An act relating to amending the Vermont
4 Employment Growth 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. 32 V.S.A. § 3325 is amended to read:

8 § 3325. VERMONT ECONOMIC PROGRESS COUNCIL

9 (a) Creation. The Vermont Economic Progress Council is created to
10 exercise the authority and perform the duties assigned to it, including its
11 authority and duties relating to:

12 (1) the Vermont Employment Growth Incentive Program pursuant to
13 subchapter 2 of this chapter; and

14 (2) tax increment financing districts pursuant to 24 V.S.A. chapter 53,
15 subchapter 5 and section 5404a of this title.

16 (b) Membership.

17 (1) The Council shall have 11 voting members:

18 (A) nine residents of the State appointed by the Governor with the
19 advice and consent of the Senate who are knowledgeable and experienced in
20 the subjects of community development and planning, education funding
21 requirements, economic development, State fiscal affairs, property taxation, or

1 entrepreneurial ventures and represent diverse geographical areas of the State
2 and municipalities of various sizes;

3 (B) one member of the Vermont House of Representatives appointed
4 by the Speaker of the House; and

5 (C) one member of the Vermont Senate appointed by the Senate
6 Committee on Committees.

7 (2)(A) The Council shall have two regional members from each region
8 of the State, one appointed by the regional development corporation of the
9 region and one appointed by the regional planning commission of the region.

10 (B) A regional member shall be a nonvoting member and shall serve
11 during consideration by the Council of an application from his or her region.

12 (3) The Council shall provide not less than 30 days' notice of a vacancy
13 to the relevant appointing authority, which shall appoint a replacement not
14 later than 30 days after receiving notice.

15 * * *

16 (e) Operation.

17 (1) The Governor shall appoint a chair from the Council's members.

18 (2) The Council shall receive administrative support from the Agency of
19 Commerce and Community Development and the Department of Taxes.

20 (3) The Council shall have:

1 (A) an executive director appointed by the Governor with the advice
2 and consent of the Senate who is knowledgeable in subject areas of the
3 Council’s jurisdiction and who is an exempt State employee; and

4 (B) administrative staff.

5 (4) The Council shall adopt and make publicly available a policy
6 governing conflicts of interest that meets or exceeds the requirements of the
7 State Code of Ethics and shall include:

8 (A) clear standards for when a member of the Council may
9 participate or must be recused when an actual or perceived conflict of interest
10 exists; and

11 (B) a provision that requires a witness who is an officer of the State
12 or its political subdivision or instrumentality to disclose a conflict of interest
13 related to an application.

14 * * *

15 Sec. 2. 32 V.S.A. § 3326 is amended to read:

16 § 3326. COST-BENEFIT MODEL

17 (a) The Council shall adopt and maintain a cost-benefit model for assessing
18 and measuring the projected net fiscal cost and benefit to the State of proposed
19 economic development activities.

20 (b) The Council shall not modify the cost-benefit model without the prior
21 approval of the Joint Fiscal Committee.

1 (c) The Council shall contract with the executive branch State economist to
2 perform the cost-benefit analysis using the cost-benefit model when
3 considering an application for incentives under subchapter 2 of this chapter.

4 Sec. 3. 32 V.S.A. § 3341 is amended to read:

5 § 3341. CONFIDENTIALITY OF PROPRIETARY BUSINESS
6 INFORMATION

7 (a) The Vermont Economic Progress Council and the Department of Taxes
8 shall use measures to protect proprietary financial information, including
9 reporting information in an aggregate form.

10 (b)(1) Information and materials submitted by a business concerning its
11 income taxes and other confidential financial information shall not be subject
12 to public disclosure under the State’s public records law in 1 V.S.A. chapter 5,
13 but shall be available to the Joint Fiscal Office or its agent upon authorization
14 of the Joint Fiscal Committee or a standing committee of the General
15 Assembly, and shall also be available to the Auditor of Accounts in connection
16 with the performance of duties under section 163 of this title; provided,
17 however, that the Joint Fiscal Office or its agent and the Auditor of Accounts
18 shall not disclose, directly or indirectly, to any person any proprietary business
19 information or any information that would identify a business except in
20 accordance with a judicial order or as otherwise specifically provided by law.

1 Vermont Employment Growth Incentive under 32 V.S.A. chapter 105,
2 subchapter 2 on or after January 1, ~~2024~~ 2025.

3 **Sec. 5. ECONOMIC DEVELOPMENT INCENTIVES; STUDY**

4 (a) Creation. There is created the Task Force on Economic Development
5 Incentives composed of the following members:

6 (1) one member of the House Committee on Commerce and Economic
7 Development appointed by the Speaker of the House of Representatives;

8 (2) one member of the Senate Committee on Economic Development,
9 Housing and General Affairs appointed by the Senate Committee on

10 Committees;

11 (3) the Commissioner of Economic Development;

12 (4) two members appointed jointly by the Speaker of the House of
13 Representatives and the Senate Committee on Committees.

14 (b) Powers and duties. The Task Force shall conduct hearings, receive
15 testimony, and review and consider:

16 (1) the purpose and performance of current State-funded economic
17 development incentive programs; and

18 (2) models of economic development incentive programs from other
19 jurisdictions.

20 (c) Assistance.

1 (1) The Task Force shall have the administrative, fiscal, and legal
2 assistance of the Office of Legislative Operations, the Joint Fiscal Office, and
3 the Office of Legislative Counsel.

4 (2) The Task Force may direct the Joint Fiscal Office to issue a request
5 for proposals and enter into one or more agreements for consulting services.

6 (d) Report. On or before January 15, 2024, the Task Force shall submit a
7 report with its findings and any recommendations for legislative action to the
8 House Committee on Commerce and Economic Development and the Senate
9 Committee on Economic Development, Housing and General Affairs.

10 (e) Meetings.

11 (1) The member of the House Committee on Commerce and Economic
12 Development shall call the first meeting of the Task Force to occur on or
13 before September 1, 2023.

14 (2) The Committee shall select a chair from among its members at the
15 first meeting.

16 (3) A majority of the membership shall constitute a quorum.

17 (4) The Task Force shall cease to exist on January 15, 2024.

18 (f) Compensation and reimbursement.

19 (1) For attendance at meetings during adjournment of the General
20 Assembly, a legislative member of the Task Force serving in the member's
21 capacity as a legislator shall be entitled to per diem compensation and

1 reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than six
2 meetings.

3 (2) Other members of the Task Force shall be entitled to per diem
4 compensation and reimbursement of expenses as permitted under 32 V.S.A.
5 § 1010 for not more than six meetings

6 (g) Appropriation. The sum of \$50,000.00 is appropriated from the
7 General Fund in fiscal year 2024 for per diem compensation and
8 reimbursement of expenses for members of the Task Force and for consulting
9 services approved by the Task Force pursuant to this section.

10 Sec. 6. EFFECTIVE DATE

11 This act shall take effect on July 1, 2023.

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15 (Committee vote: _____)

16

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Representative _____

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FOR THE COMMITTEE