

1 TO THE HONORABLE SENATE:

2 The Committee on Economic Development, Housing and General Affairs to  
3 which was referred House Bill No. 10 entitled “An act relating to amending the  
4 Vermont Employment Growth Incentive Program” respectfully reports that it  
5 has considered the same and recommends that the Senate propose to the House  
6 that the bill be amended by striking out all after the enacting clause and  
7 inserting in lieu thereof the following:

8 Sec. 1. 2016 Acts and Resolves No. 157, Sec. H.12, as amended by 2022  
9 Acts and Resolves No. 164, Sec. 5 and 2023 Acts and Resolves No. 72,  
10 Sec. 39, is further amended to read:

11 Sec. H.12. ~~VEGI; REPEAL OF AUTHORITY TO AWARD INCENTIVES~~

12 ~~Notwithstanding any provision of law to the contrary, the Vermont~~  
13 ~~Economic Progress Council shall not accept or approve an application for a~~  
14 ~~Vermont Employment Growth Incentive under 32 V.S.A. chapter 105,~~  
15 ~~subchapter 2 on or after January 1, 2025. [Repealed.]~~

16 **Sec. 2. 32 V.S.A. § 3325(b) is amended to read:**

17 (b) Membership.

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

19 ~~(A) nine who are~~ residents of the State ~~appointed by the Governor~~  
20 ~~with the advice and consent of the Senate~~ and who are knowledgeable and  
21 experienced in the subjects of community development and planning,

1 education funding requirements, economic development, State fiscal affairs,  
2 property taxation, or entrepreneurial ventures and represent diverse  
3 geographical areas of the State and municipalities of various sizes; appointed  
4 as follows:

5 ~~(B) one member of the Vermont House of Representatives appointed~~  
6 ~~by the Speaker of the House; and~~

7 ~~(C) one member of the Vermont Senate appointed by the Senate~~  
8 ~~Committee on Committees~~

9 (A) seven members, appointed by the Governor with the advice and  
10 consent of the Senate;

11 (B) two members, one of whom is a current member of the House of  
12 Representatives, appointed by the Speaker of the House; and

13 (C) two members, one of whom is a current member of the Senate,  
14 appointed by the Committee on Committees.

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

18 (B) A regional member shall be a nonvoting member and shall serve  
19 during consideration by the Council of an application from ~~his or her~~ the  
20 member's region.



1 and Means, on Commerce and Economic Development, and on  
2 Appropriations, to the Senate Committees on Finance, on Economic  
3 Development, Housing and General Affairs, and on Appropriations, and to the  
4 Joint Fiscal Committee.

5 (b) The Council and the Department shall include in the joint report:

6 (1) the total amount of incentives authorized during the preceding year  
7 and the amount per business;

8 (2) with respect to each business with an approved application:

9 (A) the date and amount of authorization;

10 (B) the calendar year or years in which the authorization is expected  
11 to be exercised;

12 (C) whether the authorization is active; ~~and~~

13 (D) the date the authorization will expire; ~~and~~

14 (E) the aggregate amount of new full-time payroll anticipated to be  
15 created; and

16 (F) NAICS code; and

17 (3) the following aggregate information for claims processed:

18 (A) the number of claims and incentive payments made in the current  
19 and prior claim years;

20 (B) the number of qualifying jobs for each claim processed; and

1 (C) the amount of new payroll and capital investment for each claim  
2 processed.

3 (c)(1) The Council and the Department shall present data and information  
4 in the joint report in a searchable format.

5 (2) Notwithstanding a provision of this section to the contrary, when  
6 reporting data and information pursuant to this section, the Council and  
7 Department shall take steps necessary to avoid disclosing any information that  
8 would enable the identification of an individual employee or the employee's  
9 compensation.

10 § 3341. CONFIDENTIALITY OF PROPRIETARY BUSINESS

11 INFORMATION

12 \* \* \*

13 (c) Nothing in this section shall be construed to prohibit the publication of  
14 statistical information, rulings, determinations, reports, opinions, policies, or  
15 other information ~~so long as,~~ provided the data are disclosed in a form that  
16 cannot identify or be associated with a particular business.

17 \* \* \*

18 **Sec. 4. FY 2025 FORGIVABLE LOAN PROGRAM FOR**

19 **FLOOD-IMPACTED BUSINESSES**

20 (a) Establishment. The Vermont Economic Development Authority  
21 (Authority) shall establish a program for fiscal year 2025 that provides

1 forgivable loans to nonprofit and for-profit businesses in the State that suffered  
2 economic harm due to the floods and heavy rainfall in 2023.

3 (b) Eligible Applicants. An eligible applicant is a business entity,  
4 including sole proprietorships, farming enterprises, forest product businesses,  
5 and nonprofit organizations that meet all of the following criteria:

6 (1) The applicant was established prior to July 1, 2023.

7 (2) The applicant is open or is in the process of reopening.

8 (3) The applicant is located in one of the following Vermont counties  
9 listed in President Biden’s disaster declaration issued July 14, 2023:

10 Chittenden, Lamoille, Rutland, Washington, Windham, or Windsor.

11 (4) The applicant can demonstrate Economic Harm as a result of the  
12 floods and heavy rainfall during 2023. As used in this subdivision, “economic  
13 harm” means a decline in an eligible applicant’s financial performance due to  
14 the floods and heavy rainfall during 2023.

15 (c) Application and underwriting. The Authority shall create the  
16 application for the forgivable loan program created in this section, and:

17 (1) issue a loan decision for an application; and

18 (2) provide the underwriting for an approved application.

19 (d) Loan amount determination.

20 (1) Forgivable loan amounts are determined by the Authority and will  
21 reflect net unrecovered damages. This is the amount remaining after

1 subtracting any estimated or received insurance proceeds and other State and  
2 federal grants and subsidies, including Federal Emergency Management  
3 Agency (FEMA) assistance and philanthropic donations.

4 (2) The maximum amount of the forgivable loan shall be 25 percent of  
5 net unrecovered damages pursuant to subdivision (1) of this subsection  
6 experienced during the six-month period of July 1, 2022 through December 31,  
7 2022 compared to the same period in 2023, but in no case shall exceed  
8 \$50,000.00.

9 (e) Interest payments. An applicant that is approved for a forgivable loan  
10 and receives the loan funds shall make monthly interest payments on the loan  
11 at a rate determined by the Authority during the loan term and pursuant to the  
12 loan agreement.

13 (f) Eligible Uses. Loan proceeds may only be used by the applicant to  
14 address the following losses incurred by the applicant as a direct result of  
15 floods and heavy rainfall during 2023:

16 (1) physical or structural damages from flooding;

17 (2) lost revenue of businesses;

18 (3) lost wages of employees of businesses;

19 (4) lost inventory and new supplies; and

20 (5) damaged equipment.

21 (g) Loan forgiveness and reimbursement.

1           (1) The Authority shall approve loan forgiveness upon verification and  
2           documentation from the applicant evidencing loan proceeds were only used for  
3           eligible uses as set forth in subsection (f) of this section.

4           (2) At the end of the loan term, upon verification by the Authority that  
5           the applicant used loan proceeds in accordance with this section and upon  
6           notification by the Authority to the Department of Taxes that loan forgiveness  
7           has been approved, the Department of Taxes shall reimburse the Authority for  
8           the amount of the forgivable loan.

9           (h) Repayment of forgivable loan. At the end of the loan term, upon  
10           verification by the Authority that the applicant used loan proceeds in violation  
11           of this section, the applicant shall repay the Authority in an amount and  
12           manner established in the loan agreement.

13           (i) Appropriation. In fiscal year 2025, the General Assembly shall  
14           appropriate \$350,000.00 from the General Fund to the Vermont Economic  
15           Development Authority for the purpose of establishing the loan loss reserve for  
16           the forgivable loan program created in this section.

17           (j) Program cap. The maximum amount of loan dollars the Authority may  
18           issue pursuant to the forgivable loan program created in this section shall be  
19           \$7,000,000.00.

20           (k) Expiration. The Authority shall not accept applicants to the forgivable  
21           loan program created in this section on or after July 1, 2025.



1 **Sec. 5. EFFECTIVE DATES**

2 This act shall take effect on July 1, 2024, except that Sec. 2, 32 V.S.A.

3 § 3325(b), shall take effect on April 1, 2025.

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6 (Committee vote: \_\_\_\_\_)

7

\_\_\_\_\_

8

Senator \_\_\_\_\_

9

FOR THE COMMITTEE