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S.122

An act relating to economic and workforce development

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 32 V.S.A. chapter 151, subchapter 11J is amended to read:

Subchapter 11J. Vermont Downtown and Village Center Tax Credit Program

\* \* \*

§ 5930ee. LIMITATIONS

Beginning in fiscal year 2010 and thereafter, the State Board may award tax credits to all qualified applicants under this subchapter, provided that:

(1) the total amount of tax credits awarded annually, together with sales tax reallocated under section 9819 of this title, does not exceed ~~\$3,000,000.00~~ \$5,000,000.00;

(2) a total annual allocation of ~~no~~ not more than 30 percent of these tax credits in combination with sales tax reallocation may be awarded in connection with all of the projects in a single municipality;

(3) façade tax credits shall not be available for projects that qualify for the federal rehabilitation tax credit;

(4) no credit shall be allowed under this subchapter for the cost of acquiring any building or interest in a building;

1 (5) credit under any one subsection of 5930cc of this subchapter may  
2 not be allocated more often than once every two years with respect to the same  
3 building; and

4 (6) credit awarded under section 5930cc of this subchapter that is  
5 rescinded or recaptured by the State Board shall be available for the State  
6 Board to award to applicants in any subsequent year, in addition to the total  
7 amount of tax credits authorized under this section.

8 \* \* \*

9 Sec. 2. EXPANDING SERVICES FOR SMALL BUSINESSES

10 (a) Expanding legal services. In fiscal year 2026, there is appropriated the  
11 sum of \$300,000.00 from the General Fund to the Department of Economic  
12 Development for the purpose of supporting the Vermont Law and Graduate  
13 School's public education offerings and free legal support to small businesses  
14 through its Vermont Small Business Law Center, which include:

15 (1) individual and group educational trainings and consultations;

16 (2) an ongoing webinar series on legal basics for startups; and

17 (3) an attorney referral program.

18 (b) Professionals of color network. In fiscal year 2026, there is  
19 appropriated the sum of \$350,000.00 from the General Fund to the Department  
20 of Economic Development for the purpose of continuing the support of the  
21 Vermont Professionals of Color Network in its critical workforce and business

1 development services it provides to BIPOC business communities and to  
2 support the expansion of its business technical assistance services, which  
3 includes education on basic business practices, resource navigation, and  
4 networking support to BIPOC small business owners.

5 (c) Business advising. In fiscal year 2026, there is appropriated the sum of  
6 \$688,889.00 from the General Fund to the Vermont Small Business  
7 Development Center for the purpose of supporting the continuation of its work  
8 in helping Vermonters start, acquire, and grow businesses. The funds shall  
9 also be used to increase business advising and educational workshops to meet  
10 increasing demands of entrepreneurs and small business owners post  
11 pandemic. This increase of \$300,000.00 from the Governor's suggested  
12 budget will allow the Center to serve an additional 200 Vermont entrepreneurs  
13 and business owners through no-fee, one-to-one advising to help them start  
14 businesses, add and retain jobs, increase sales, export products, and prepare  
15 their ownership succession plan to transfer ownership for the business to  
16 continue to operate in Vermont.

17 (d) Creation of resource guide. In fiscal year 2026, in addition to any other  
18 funds appropriated to the Vermont Sustainable Jobs Fund Program, there is  
19 appropriated \$100,000.00 from the General Fund to the Program for purpose of  
20 creating a definitive business resource guide directed towards small businesses.  
21 The funds shall support the creation of a magazine-style annual guide featuring

1 profiles of Vermont business service organizations, an interactive website that  
2 serves as the digital home for the guide's content, and an artificial intelligence  
3 platform that complements the website by including events, grants, programs,  
4 and educational content. The guide, website, and artificial intelligence  
5 platform supported by the appropriation made in this subsection shall be  
6 completed on or before December 1, 2026.

7 (e) Microbusiness support. In fiscal year 2026, there is appropriated  
8 \$581,000.00 from the General Fund to the Office of Economic Opportunity for  
9 the purpose of supporting the Vermont Community Action Partnership's  
10 microbusiness development program.

11 (f) Small business owner coaching services. In fiscal year 2026, there is  
12 appropriated \$120,000.00 from the General Fund to the Vermont Small  
13 Business Development Center for the purpose of providing executive business  
14 skills training and coaching support to owners of small businesses with 20 or  
15 fewer employees and that are at the growth stage of their business  
16 development. The Center shall contract with the Vermont Sustainable Jobs  
17 Fund Program and the Vermont Manufacturing Extension Center to deliver the  
18 skills training and coaching services over a 12-to-18-month period, with a  
19 defined scope of work developed in collaboration with each business owner  
20 served. The services shall include the following topics:

- 1           (1) developing a sales and marketing strategy to the business' access to
- 2 markets;
- 3           (2) improving business core operations;
- 4           (3) conducting strategic planning;
- 5           (4) supporting the training needs of the business management team;
- 6           (5) supporting succession planning, if needed; and
- 7           (6) providing other important development next steps to advance the
- 8 business.

9       Sec. 3. VERMONT ARTS COUNCIL; VERMONT FILM AND CREATIVE  
10               MEDIA INDUSTRY INITIATIVE

- 11           (a) Base funding increase. In fiscal year 2026, there is appropriated the
- 12 sum of \$1,071,800.00 from the General Fund to the Vermont Arts Council,
- 13 which includes an annual increase of \$68,737.00. This increase would match
- 14 the estimated federal contribution which is required in order to receive the
- 15 entire amount from the federal government.
- 16           (b) Building database. In fiscal year 2026, there is appropriated the sum of
- 17 \$120,000.00 from the General Fund to the Vermont Arts Council for the
- 18 purpose of supporting and growing the Vermont film and creative media
- 19 community and industry, including academic, educational, creative,
- 20 commercial, and exhibition resources. The funds shall be used to:

1           (1) build and maintain an online database of film and creative media that  
2           includes assets, opportunities, professionals, resources, and events; and

3           (2) support a part-time staff position within the Vermont Arts Council to  
4           manage the database project set forth in subdivision (1) of this subsection and  
5           to serve as the point of contact for film and creative media creators,  
6           exhibitioners, and industry professionals.

7           Sec. 4. OUTDOOR RECREATION BUSINESSES; APPROPRIATION

8           In fiscal year 2026, there is appropriated the sum of \$250,000.00 from the  
9           General Fund to the Department of Forests, Parks and Recreation to support  
10           the Vermont Outdoor Business Alliance’s Climate and Circularity Outdoor  
11           Business Program, which provides sustainability and innovation technical  
12           assistance to Vermont’s outdoor sector for business planning and adaptations  
13           leading to stability in the face of climate change, the shift to a circular  
14           economy, and increased responsiveness to consumer behavior and outdoor  
15           visitation trends. Funds appropriated shall be used for:

16           (1) providing technical assistance to outdoor businesses;

17           (2) managing small group workshops and one-on-one consultations; and

18           (3) coordinating industry events that will assist businesses on financial  
19           planning and appropriate adaptations.

1       Sec. 5. INTERNATIONAL TRADE OFFICE; APPROPRIATION

2           In fiscal year 2026, there is appropriated the sum of \$350,000.00 from the  
3       General Fund to the Department of Economic Development for the purpose of  
4       supporting the International Trade Division's initiatives to:

5           (1) hire international recruitment consultants to focus more on  
6       international markets;

7           (2) develop and deploy advanced site selection data and mapping tools  
8       to assist potential investors;

9           (3) expand Vermont's presence at national and international trade  
10       shows; and

11          (4) sponsor events and initiatives that align with Vermont's economic  
12       development goals.

13       Sec. 6. 9 V.S.A. chapter 111B is added to read:

14                       CHAPTER 111B. TRADE COMMISSIONS

15       § 4129. VERMONT-IRELAND TRADE COMMISSION

16          (a) The Vermont-Ireland Trade Commission is established within the State  
17       Treasurer's office to advance bilateral trade and investment between Vermont  
18       and Ireland. The Commission shall consist of seven members as follows:

19           (1) two members, appointed by the Governor;

20           (2) two members, appointed by the Speaker of the House;

1           (3) two members, appointed by the Senate Committee on Committees;

2           and

3           (4) the State Treasurer or designee.

4           (b) The purposes of the Vermont-Ireland Trade Commission are to:

5           (1) advance bilateral trade and investment between Vermont and  
6           Ireland;

7           (2) initiate joint action on policy issues of mutual interest to Vermont  
8           and Ireland;

9           (3) promote business and academic exchanges between Vermont and  
10          Ireland;

11          (4) encourage mutual economic support between Vermont and Ireland;

12          (5) encourage mutual investment in the infrastructure of Vermont and  
13          Ireland; and

14          (6) address other issues as determined by the Commission.

15          (c) The members of the Commission, except for the State Treasurer or  
16          designee, shall be appointed for terms of four years each and shall continue to  
17          serve until their successors are appointed, except that in order to achieve  
18          staggered terms, the two members appointed by the Governor shall serve initial  
19          terms of two years each and the two members appointed by the Speaker of the  
20          House shall serve initial terms of two years each. Members may be  
21          reappointed. A member serves at the pleasure of the member's appointing



1 authority. Not more than two members serving on the Commission may be  
2 members of the General Assembly.

3 (d) A vacancy in the membership of the Commission shall be filled by the  
4 relevant appointing authority within 90 days after the vacancy.

5 (e) The Commission shall select a chair from among its members at the  
6 first meeting. The Chair, as appropriate, may appoint from among the  
7 Commission members subcommittees or a subcommittee at the Chair's  
8 discretion. A majority of the members of the Commission shall constitute a  
9 quorum for purposes of transacting the business of the Commission.

10 (f) The Commission shall submit a written report with its findings, results,  
11 and recommendations to the Governor and the General Assembly within one  
12 year of its initial organizational meeting and on or before December 1 of each  
13 succeeding year for the activities of the current calendar year. The report shall  
14 also include a disclosure listing any in-kind contributions received by specific  
15 members of the Commission through their work in the Commission in the  
16 current calendar year.

17 (g) The Vermont-Ireland Trade Commission is authorized to raise funds,  
18 through direct solicitation or other fundraising events, alone or with other  
19 groups, and accept donations, grants, and bequests from individuals,  
20 corporations, foundations, governmental agencies, and public and private  
21 organizations and institutions, to defray the Commission's administrative

1 expenses and to carry out its purposes as set forth in this chapter. The funds,  
2 donations, grants, or bequests received pursuant to this chapter shall be  
3 deposited in a bank account and allocated annually by the State Treasurer's  
4 office to defray the Commission's administrative expenses and carry out its  
5 purposes. Any monies so withdrawn shall not be used for any purpose other  
6 than the payment of expenses under this chapter. Interest earned shall remain  
7 in the bank account.

8 Sec. 7. INITIAL APPOINTMENT DEADLINE FOR VERMONT-IRELAND  
9 TRADE COMMISSION

10 Initial appointments to the Vermont-Ireland Trade Commission shall be  
11 made not later than October 1, 2025.

12 Sec. 8. REPEAL; VERMONT-IRELAND TRADE COMMISSION

13 9 V.S.A. § 4129 (Vermont-Ireland Trade Commission) as added by this act  
14 is repealed on June 30, 2030.

15 Sec. 9. STUDY TO ADDRESS BUSINESS GROWTH AND  
16 ACCESSING CAPITAL; REPORT

17 (a) Task. The Agency of Commerce and Community Development shall  
18 conduct a study to analyze the ways the State can better enable business  
19 growth and improve access to capital in Vermont. As a part of its study, the  
20 Agency shall:

- 1           (1) solicit testimony from start-up and early-stage businesses that have  
2           struggled to raise capital;
- 3           (2) identify additional mechanisms for the investor-lender community to  
4           connect and learn from each other;
- 5           (3) evaluate the State’s role in accessing capital, including:
- 6                   (A) the investment environment in the New England region;  
7                   (B) availability of tax credits to leverage private capital; and  
8                   (C) ensuring support of the current Tech Hub designation;
- 9           (4) identify ways to offer investor education to high net worth  
10           individuals interested in investing in Vermont businesses; and
- 11           (5) evaluate any other related issues as determined by the Agency.

12           (b) Report. On or before November 1, 2025, the Agency shall submit a  
13           written report to the House Committee on Commerce and Economic  
14           Development and the Senate Committee on Economic Development, Housing  
15           and General Affairs with its findings and any recommendations for legislative  
16           action based on the task set forth in subsection (a) of this section.

17           Sec. 10. TASK FORCE TO EXPLORE DEVELOPMENT OF

18                   CONVENTION CENTER AND PERFORMANCE VENUE

19           (a) Creation. There is created the Convention Center and Performance  
20           Venue Task Force to study the feasibility of constructing a convention center  
21           and performance venue in Vermont.

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

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

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

7           (3) the Secretary of Commerce and Community Development or  
8       designee;

9           (4) the President of the Vermont Chamber of Commerce or designee;

10          (5) the Chief Executive Officer of the Lake Champlain Chamber of  
11       Commerce or designee; and

12          (6) the President of the Regional Development Corporations or  
13       designee.

14       (c) Powers and duties. The Task Force, in reviewing the feasibility of  
15       constructing a convention center and performance venue in Vermont, shall:

16           (1) determine the ability of the State to support the projects through  
17       appropriations, bonding, tax instruments, and other financial assistance;

18           (2) identify infrastructure improvements needed for the projects,  
19       including water, sewer, transportation, lodging, and food;

20           (3) consider management and operational options for ownership,  
21       maintenance, staffing, and related items for the projects;

1           (4) research the attributes of convention centers and performance venues  
2           that have been recently and successfully developed in other states; and

3           (5) evaluate the economic impact and anticipated return on investment  
4           of having a convention center and performance venue.

5           (d) Assistance. The Task Force shall have the administrative, technical,  
6           and legal assistance of the Agency of Commerce and Community  
7           Development.

8           (e) Reports. On or before November 1, 2025, the Task Force shall submit  
9           an interim report to the House Committee on Commerce and Economic  
10           Development and the Senate Committee on Economic Development, Housing  
11           and General Affairs with an update on its work pursuant to subsection (c) of  
12           this section. On or before November 1, 2026, the Task Force shall submit a  
13           final written report to the House Committee on Commerce and Economic  
14           Development and the Senate Committee on Economic Development, Housing  
15           and General Affairs with its findings and any recommendations for legislative  
16           action.

17           (f) Meetings.

18           (1) The Secretary of Commerce and Community Development shall call  
19           the first meeting of the Task Force to occur on or before July 15, 2025.

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 Task Force shall cease to exist on December 1, 2026.

3       Sec. 10a. CONTINGENCY ON FUNDING

4           The duty to implement Secs. 1–5 of this act is contingent upon an  
5 appropriation in fiscal year 2026 from the General Fund for the specific  
6 purposes described in this act.

7       Sec. 10b. 3 V.S.A. § 23 is amended to read:

8       § 23. THE COMMISSION ON INTERNATIONAL TRADE

9           (a) Definitions. For the purposes of this section: “International Trade  
10 Agreement” means a trade agreement between the federal government and a  
11 foreign country or between Vermont and a foreign country. ~~International Trade~~  
12 ~~Agreement does not include a trade agreement between the State and a foreign~~  
13 ~~country to which the federal government is not a party.~~

14                                 \* \* \*

15           (c) Powers and duties.

16           (1) The Commission shall conduct an annual assessment of the legal and  
17 economic impacts of International Trade Agreements on State and local laws,  
18 State sovereignty, and the business environment.

19           (2) It shall provide a mechanism for citizens and legislators to voice  
20 their concerns, which it shall use to make policy recommendations to the  
21 General Assembly, to the Governor, to Vermont’s congressional delegation, or

1 to the trade representatives of the United States government.

2 Recommendations shall be designed to protect Vermont's job and business  
3 environment, and State sovereignty from any negative impacts of trade  
4 agreements.

5 (3) It may recommend legislation or preferred practices and shall work  
6 with interested groups in other states to develop means to resolve the  
7 conflicting goals and tension inherent in the relationship between international  
8 trade and State sovereignty.

9 (4) As provided for in 9 V.S.A. chapter 111A, the Commission shall  
10 consider and develop formal recommendations with respect to how the State  
11 should best respond to challenges and opportunities posed by a particular  
12 International Agreement.

13 (5) The Commission shall be consulted when a trade commission  
14 pursuant to 9 V.S.A. chapter 111B is proposed to be established by the General  
15 Assembly and shall provide a recommendation as to whether the trade  
16 commission shall be established.

17 \* \* \*

18 Sec. 11. EFFECTIVE DATE

19 This act shall take effect on July 1, 2025.