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S.122

Introduced by Committee on Economic Development, Housing and General

Affairs

Date: March 18, 2025

Subject: Conservation and development; economic and workforce
development; small business

Statement of purpose of bill as introduced: This bill proposes to provide
support to existing economic and workforce development programs to help
small businesses grow in Vermont.

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

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

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

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

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

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15 rescinded or recaptured by the State Board shall be available for the State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

18 * * *

19 Sec. 2. EXPANDING SERVICES FOR SMALL BUSINESSES

20 (a) Expanding legal services. In fiscal year 2026, there is appropriated the
21 sum of \$300,000.00 from the General Fund to the Department of Economic

1 Development for the purpose of supporting the Vermont Law and Graduate
2 School's public education offerings and free legal support to small businesses
3 through its Vermont Small Business Law Center, which include:

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

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

6 (3) an attorney referral program.

7 (b) Professionals of color network. In fiscal year 2026, there is
8 appropriated the sum of \$350,000.00 from the General Fund to the Department
9 of Economic Development for the purpose of continuing the support of the
10 Vermont Professionals of Color Network in its critical workforce and business
11 development services it provides to BIPOC business communities and to
12 support the expansion of its business technical assistance services, which
13 includes education on basic business practices, resource navigation, and
14 networking support to BIPOC small business owners.

15 (c) Business advising. In fiscal year 2026, there is appropriated the sum of
16 \$688,889.00 from the General Fund to the Vermont Small Business
17 Development Center for the purpose of supporting the continuation of its work
18 in helping Vermonters start, acquire, and grow businesses. The funds shall
19 also be used to increase business advising and educational workshops to meet
20 increasing demands of entrepreneurs and small business owners post
21 pandemic. This increase of \$300,000.00 from the Governor's suggested

1 budget will allow the Center to serve an additional 200 Vermont entrepreneurs
2 and business owners through no-fee, one-to-one advising to help them start
3 businesses, add and retain jobs, increase sales, export products, and prepare
4 their ownership succession plan to transfer ownership for the business to
5 continue to operate in Vermont.

6 (d) Creation of resource guide. In fiscal year 2026, in addition to any other
7 funds appropriated to the Vermont Sustainable Jobs Fund Program, there is
8 appropriated \$100,000.00 from the General Fund to the Program for purpose
9 of creating a definitive business resource guide directed towards small
10 businesses. The funds shall support the creation of a magazine-style annual
11 guide featuring profiles of Vermont business service organizations, an
12 interactive website that serves as the digital home for the guide's content, and
13 an artificial intelligence platform that complements the website by including
14 events, grants, programs, and educational content. The guide, website, and
15 artificial intelligence platform supported by the appropriation made in this
16 subsection shall be completed on or before December 1, 2026.

17 (e) Microbusiness support. In fiscal year 2026, there is appropriated
18 \$581,000.00 from the General Fund to the Office of Economic Opportunity for
19 the purpose of supporting the Vermont Community Action Partnership's
20 microbusiness development program.

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

11 (1) developing a sales and marketing strategy to the business' access to
12 markets;

13 (2) improving business core operations;

14 (3) conducting strategic planning;

15 (4) supporting the training needs of the business management team;

16 (5) supporting succession planning, if needed; and

17 (6) providing other important development next steps to advance the
18 business.

19 Sec. 3. VERMONT ARTS COUNCIL; VERMONT FILM AND CREATIVE
20 MEDIA INDUSTRY INITIATIVE

1 (a) Base funding increase. In fiscal year 2026, there is appropriated the
2 sum of \$1,071,800.00 from the General Fund to the Vermont Arts Council,
3 which includes an annual increase of \$68,737.00. This increase would match
4 the estimated federal contribution which is required in order to receive the
5 entire amount from the federal government.

6 (b) Building database. In fiscal year 2026, there is appropriated the sum of
7 \$120,000.00 from the General Fund to the Vermont Arts Council for the
8 ~~purpose of supporting the Vermont film and creative media industry initiatives~~
9 ~~which will build the basic industry structure needed to grow Vermont's film~~
10 ~~and creative media sector for the purpose of supporting and growing the~~
11 *Vermont film and creative media community and industry, including academic,*
12 *educational, creative, commercial, and exhibition resources.* The funds shall
13 be used to:

14 ~~(1) build and maintain an online database of film and creative media~~
15 ~~assets and opportunities, and~~

16 *(1) build and maintain an online database of film and creative media*
17 *that includes assets, opportunities, professionals, resources, and events; and*
18

19 ~~(2) support a part-time staff position within the Vermont Arts Council to~~
20 manage the database project set forth in subdivision (1) of this subsection and
21 ~~to serve as the point of contact for film industry professionals.~~

(2) support a part-time staff position within the Vermont Arts Council to
 manage the database project set forth in subdivision (1) of this subsection and

to serve as the point of contact for film and creative media creators, exhibitors, and industry professionals.

1 Sec. 4. OUTDOOR RECREATION BUSINESSES; APPROPRIATION

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

10 (1) providing technical assistance to outdoor businesses;

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

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

14 Sec. 5. INTERNATIONAL TRADE OFFICE; APPROPRIATION

15 In fiscal year 2026, there is appropriated the sum of \$350,000.00 from the
16 General Fund to the Department of Economic Development for the purpose of
17 supporting the International Trade Division’s initiatives to:

18 (1) hire international recruitment consultants to focus more on
19 international markets;

(4) the State Treasurer or designee.

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

2 (1) advance bilateral trade and investment between Vermont and
3 Ireland;

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

6 (3) promote business and academic exchanges between Vermont and
7 Ireland;

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

9 (5) encourage mutual investment in the infrastructure of Vermont and
10 Ireland; and

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

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

*(c) The members of the Commission, except for the State Treasurer or
designee, shall be appointed for terms of four years each and shall continue to
serve until their successors are appointed, except that in order to achieve*

staggered terms, the two members appointed by the Governor shall serve initial terms of two years each and the two members appointed by the Speaker of the House shall serve initial terms of two years each. Members may be reappointed. A member serves at the pleasure of the member's appointing authority. Not more than two members serving on the Commission may be members of the General Assembly.

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

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

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

15 (g) The Vermont-Ireland Trade Commission is authorized to raise funds,
16 through direct solicitation or other fundraising events, alone or with other
17 groups, and accept donations, grants, and bequests from individuals,
18 corporations, foundations, governmental agencies, and public and private

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

9 ~~(1)(1) For attendance at meetings during adjournment of the General~~
10 ~~Assembly, a legislative member of the Commission serving in the member's~~
11 ~~capacity as a legislator shall be entitled to per diem compensation and~~
12 ~~reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than six~~
13 ~~meetings per calendar year.~~

14 (2) Other members of the Commission shall be entitled to
15 reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more
16 than six meetings per calendar year.

17 (3) Payments to members of the Commission authorized under this
18 subsection shall be made from monies appropriated to the General Assembly.

19 Sec. 7. INITIAL APPOINTMENT DEADLINE FOR VERMONT-IRELAND
20 TRADE COMMISSION

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

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

4 9 V.S.A. § 4129 (Vermont-Ireland Trade Commission) as added by this act
5 is repealed on June 30, 2030.

6 Sec. 9. STUDY TO ADDRESS BUSINESS GROWTH AND

7 ACCESSING CAPITAL; REPORT

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

12 (1) solicit testimony from start-up and early-stage businesses that have
13 struggled to raise capital;

14 (2) identify additional mechanisms for the investor-lender community to
15 connect and learn from each other;

16 (3) evaluate the State's role in accessing capital, including:

17 (A) the investment environment in the New England region;

18 (B) availability of tax credits to leverage private capital; and

19 (C) ensuring support of the current Tech Hub designation;

20 (4) identify ways to offer investor education to high net worth

21 individuals interested in investing in Vermont businesses; and

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

3 (6) the President of the Regional Development Corporations or
4 designee.

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

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

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

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

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

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

17 (d) Assistance. The Task Force shall have the administrative, technical,
18 and legal assistance of the Agency of Commerce and Community
19 Development.

20 (e) Reports. On or before November 1, 2025, the Task Force shall submit
21 an interim report to the House Committee on Commerce and Economic

1 Development and the Senate Committee on Economic Development, Housing
2 and General Affairs with an update on its work pursuant to subsection (c) of
3 this section. On or before November 1, 2026, the Task Force shall submit a
4 final written report to the House Committee on Commerce and Economic
5 Development and the Senate Committee on Economic Development, Housing
6 and General Affairs with its findings and any recommendations for legislative
7 action.

8 (f) Meetings.

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

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

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

14 (4) The Task Force shall cease to exist on December 1, 2026.

15 ~~(g) Compensation and reimbursement.~~

16 ~~(1) For attendance at meetings during adjournment of the General~~
17 ~~Assembly, a legislative member of the Task Force serving in the member's~~
18 ~~capacity as a legislator shall be entitled to per diem compensation and~~
19 ~~reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than eight~~
20 ~~meetings.~~

- 1 ~~(2) Other members of the Task Force shall be entitled to reimbursement~~
2 ~~of expenses as permitted under 32 V.S.A. § 1010 for not more than eight~~
3 ~~meetings.~~
- 4 (3) Payments to members of the Task Force authorized under this
5 ~~subsection shall be made from monies appropriated to The General Assembly.~~

Sec. 10a. CONTINGENCY ON FUNDING

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

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

§ 23. THE COMMISSION ON INTERNATIONAL TRADE

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

** * **

(c) Powers and duties.

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

(2) It shall provide a mechanism for citizens and legislators to voice their concerns, which it shall use to make policy recommendations to the General Assembly, to the Governor, to Vermont’s congressional delegation, or to the trade representatives of the United States government. Recommendations shall be designed to protect Vermont’s job and business environment, and State sovereignty from any negative impacts of trade agreements.

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

(4) As provided for in 9 V.S.A. chapter 111A, the Commission shall consider and develop formal recommendations with respect to how the State

should best respond to challenges and opportunities posed by a particular International Agreement.

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

* * *

1 Sec. 11. EFFECTIVE DATE

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