



# VERMONT LEGISLATIVE Joint Fiscal Office

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## Fiscal Note

May 22, 2025

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### **S.122 – An act relating to economic and workforce development**

**As Recommended by the House Committee on Commerce and Economic Development, Draft 1.2<sup>1,i</sup>**

#### **Bill Summary**

**T**his bill would direct the use of several appropriations related to economic and workforce development that were included in the fiscal year 2026 budget as signed by the governor on May 21, 2025. The bill would also create a Baby Bonds pilot program and related Special Fund.

#### **Fiscal Impact**

This bill does not appropriate any funds and all directive language relates to appropriations that are included in the fiscal year 2026 budget.

#### **Background and Details**

The following sections of the bill relate to fiscal matters. However, the bill as recommended makes no appropriations.

##### **Section 1: Expanding Services for Small Businesses**

Section 1 would provide language for the authorized use of the following fiscal year 2026 appropriations:

- \$200,000 from the General Fund for the Vermont Professionals of Color Network;
- \$150,000 from the General Fund for the Vermont Small Business Development Center to support Vermonters starting, acquiring, and growing businesses; and
- \$25,000 from the General Fund for the Vermont Sustainable Jobs Fund to create a resource guide for small businesses.

##### **Section 2: International Trade Division**

Section 2 would provide language for the use of \$150,000 of General Funds appropriated to DED to support the International Business Office.

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<sup>1</sup> The Joint Fiscal Office (JFO) is a nonpartisan legislative office dedicated to producing unbiased fiscal analysis – this fiscal note is meant to provide information for legislative consideration, not to provide policy recommendations.

**Section 3: Task Force to Explore Development of Convention Center and Performance Venue**

Section 3 would establish the Convention Center and Performance Venue Task Force to study the feasibility of constructing a convention center and performance venue. The Task Force would be composed of:

- One member of the House of Representatives;
- One member of the Senate;
- the Commissioner of DED or designee;
- the President of the Vermont Chamber of Commerce or designee;
- the Chief Executive Officer of the Lake Champlain Chamber of Commerce or designee;
- the President of the Vermont Regional Development Corporations or designee; and
- the Chair of the Vermont Association of Planning and Development Agencies or Designee.

The Task Force would receive the administrative, technical, and legal assistance of the Agency of Commerce and Community Development (ACCD). Some of these members would be eligible for per diem compensation for up to six meetings. The estimated cost of the per diem compensation is approximately up to \$5,000, the cost of which is accounted for in the fiscal year 2026 budget.

**Sections 4-6: Vermont-Ireland Trade Commission**

Section 4 would establish the Vermont-Ireland Trade Commission within the Office of the State Treasurer in statute. The Commission would be composed of:

- two members appointed by the Governor;
- two members appointed by the Speaker of the House;
- two members appointed by the Senate Committee on Committees; and
- the State Treasurer or designee.

The bill does not authorize the members to be eligible for per diem compensation. Section 6 would repeal the Commission on June 30, 2030.

**Sections 8-10: Baby Bonds Pilot Program**

Section 8 would authorize the Office of the State Treasurer to commence a five-year pilot program to evaluate the impact, effectiveness, and operational necessities of a permanent Baby Bonds program under 3 V.S.A. chapter 20. The Treasurer would be directed to design a pilot program modeled on the Vermont Baby Bond Trust created in 3 V.S.A. chapter 20. Annually, on or before January 15 of each year through 2030, the Treasurer would be required to submit a report to legislative committees detailing:

- The activities, operations, receipts, disbursements, earnings, and expenditures of the pilot program during the preceding calendar year;
- Differences between the pilot program and the permanent program under 3 V.S.A. chapter 20 in eligible recipients and amounts invested; and
- Any other information the Treasurer deems appropriate.

On or before January 15, 2031, the Treasurer shall submit a report summarizing the pilot program, including recipient demographics, income levels, geographic location of recipients, recipient behavioral changes, and recipient access to wraparound services.

Section 9 would create a Baby Bonds Special Fund to be administered by the Treasurer. The Fund shall consist of all gifts, donations, and grants from any source, public or private, dedicated for deposit into the Fund for purposes of the Baby Bond Pilot Program. Monies in the Fund shall be used for the purposes of providing funds to recipients under the Program and to fund administrative costs. Unexpended balances and any earnings shall remain in the Fund from year to year, and the Fund shall terminate upon completion of the Program.

Section 10 would stipulate that the Treasurer's duties to implement the permanent Baby Bonds program under 3 V.S.A. chapter 20 would be contingent upon the Treasurer submitting the required report summarizing the pilot program to the General Assembly in 2031, and an appropriation of funds by the General Assembly in an amount sufficient to fund the Baby Bonds Trust.

These sections do not transfer or appropriate any funds to support the Baby Bonds pilot program and have no direct fiscal impact.

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<sup>i</sup> The full fiscal note history is available on the fiscal tab of the bill page on the General Assembly website and can be pulled up through a bill number search on the JFO page.