REFLECTS UPDATES TO FOOD-RELATED APPROPRIATIONS AND HIGHER EDUCATION ENDOWMENT TRUST FUND-RELATED APPROPRIATIONS

Sec. B.1100 MISCELLANEOUS FISCAL YEAR 2027 ONE-TIME APPROPRIATIONS

(c) Department for Children and Families. In fiscal year 2027, funds are appropriated for the following:

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(7) $550,000 General Fund for direct aid to the Vermont Foodbank's network partners through an equitable statewide distribution of food or subgrants, or both.

* * *

(i) Department of Health. In fiscal year 2027, funds are appropriated for the following:

* * *

(2) $150,000 General Fund for a grant to the Vermont Language Justice Project to prepare informational materials for Vermonters who speak languages other than English in the event of a disease outbreak, natural disaster, or other public health emergency.

* * *

(l) Agency of Agriculture, Food and Markets. In fiscal year 2027, funds are appropriated for the following:

(1) $350,000 General Fund for a grant to the Northeast Organic Farming Association of Vermont for the Crop Cash and Farm Share programs.

(2) $300,000 General Fund for grants to Vermont's 14 Natural Resource Conservation Districts.

(3) $250,000 General Fund for a grant to the Vermont Foodbank for the Vermonters Feeding Vermonters Program.

* * *

(q) Vermont Student Assistance Corporation. In fiscal year 2027, funds are appropriated for the following:

(1) Notwithstanding 16 V.S.A. § 2885, $2,320,000 Higher Education Endowment Trust Fund, which shall be considered a reduction to the principal for the purposes of the calculations in 16 V.S.A. § 2885(c) and (d), for Freedom and Unity grants.

* * *

(t) Vermont State Colleges. In fiscal year 2027, funds are appropriated for the following:

(1) Notwithstanding 16 V.S.A. § 2885, $600,000 Higher Education Endowment Trust Fund, which shall be considered a reduction to the principal for the purposes of the calculations in 16 V.S.A. § 2885(c) and (d), for the McClelland Hall housing transformation project.

* * *

(x) University of Vermont. In fiscal year 2027, funds are appropriated for the following:

(1)(A) Notwithstanding 16 V.S.A. § 2885, $2,000,000 Higher Education Endowment Trust Fund, which shall be considered a reduction to the principal for the purposes of the calculations in 16 V.S.A. § 2885(c) and (d), and $10,000,000 General Fund for the Multi-Purpose Center Project approved by the Board of Trustees in 2019.

(B) Any contract awarded for construction that is paid for with this spending authority shall adhere to the higher of:

(i) the prevailing wage requirements established in 29 V.S.A. § 161(b); or

(ii) the prevailing local wage requirements as determined by the U.S. Department of Labor under the Davis-Bacon Act or related federal acts or regulations.

(C) It is the intent of the General Assembly that this appropriation be a contribution to the remaining fundraising effort, estimated to be a total of $101,000,000, for the project. If the University of Vermont has not received new donations for the project totaling $89,000,000 or more between July 1, 2026 and July 1, 2029, it is the intent of the General Assembly that future appropriations beginning in fiscal year 2030 be reduced over a reasonable number of fiscal years to recuperate an amount equal to this appropriation and any interested accrued without causing undue financial harm to the institution.

(D)(i) In fiscal years 2027, 2028, and 2029, as part of its budget presentation and as requested, to the extent that the fundraising effort for the project is ongoing, the University of Vermont shall report to the House and Senate Committees on Appropriations on the status of the fundraising effort.

(ii) In fiscal years 2027, 2028, and 2029, to the extent that the fundraising effort for the project is ongoing, the University of Vermont shall report to the Joint Fiscal Committee at its July meeting and as requested on the status of the fundraising effort.

HIGHER EDUCATION ENDOWMENT TRUST FUND REPORT; LANGUAGE UPDATED TO REFLECT LANGUAGE IN SENATE FINANCE H.567 PROPOSAL

Sec. E.131 HIGHER EDUCATION ENDOWMENT TRUST FUND; USES; REPORT

(a) In calendar year 2026, as part of the annual financial report on the Vermont Higher Education Endowment Trust Fund required by 16 V.S.A. § 2885(e), the Office of the State Treasurer shall, in consultation with the Vermont Higher Education Endowment Trust Fund Council and the respective student government associations of the University of Vermont, Community College of Vermont, and Vermont State University, on each item listed below, include recommendations on the following:

(1) any changes to Fund sources, uses, and transfers, including any expanded uses of the Fund and adjustments to the current statutory allocation structure;

(2) mechanisms, including requiring consultation with the Vermont Higher Education Endowment Trust Fund Council, for ensuring appropriate fiduciary oversight of the use of the Fund to ensure that the endowed funds, including principal and interest earnings, are available for the intended purpose of providing scholarships to Vermont students;

(3) how to expand or modify the membership of the Council to include student representatives of the recipient institutions of higher education; and

(4) how to expand the scope of scholarship awards, including award amounts, types of degrees covered, and institutions of higher education included in the scholarship program.

S.327 LANGUAGE

Sec. E.801 2023 Acts and Resolves No. 78, Sec. F.8 is amended to read:

Sec. F.8 ~~RURAL INDUSTRY DEVELOPMENT GRANT PROGRAM~~

~~(a) Creation; purpose.~~

~~(1) A Rural Industry Development Grant Program is created within the Agency of Commerce and Community Development to provide grant funding through local development corporations for business relocation and expansion efforts, including the purchase, demolition, and renovation of property for industrial use.~~

~~(2)(A) To the extent funding is appropriated, the Agency shall make grants through the Program to assist local development corporations with business relocation and expansion efforts throughout Vermont.~~

~~(B) The Agency shall ensure an accounting of the respective State and Grantee shares of investment in any property be maintained to refund to the State an appropriate share of any net proceeds resulting from future sale or transfer of such property acquired or improved through a grant awarded under this program.~~

~~(b) Grant considerations. In making grant awards, the Agency shall consider:~~

~~(1) the real estate needs of growing and relocating businesses, including nonprofit organizations, in the applicant's region;~~

~~(2) the ability of the proposed project to meet the site-specific needs of businesses considering whether to expand or locate in this State;~~

~~(3) the funding that the applicant has identified, or secured, to leverage a grant award; and~~

~~(4) the readiness of an applicant to move a project forward.~~

~~(c) Eligible applicants; priority.~~

~~(1) To be eligible for a grant, an applicant must be a local development corporation, as defined in subdivision 212(10) of this title, located within this State.~~

~~(2) The Secretary of Commerce and Community Development may designate projects and agreements as first priority based on rural communities that continue to experience insufficient economic and grand list growth.~~

~~(d) Eligible activities. A grant recipient may use funding for the following:~~

~~(1) to purchase land for potential industrial use;~~

~~(2) for the costs of site development, permitting, or providing infrastructure for property the recipient owns;~~

~~(3) for the equity investment required for a loan transaction through the Vermont Economic Development Authority under 10 V.S.A. chapter 12, subchapter 3; or~~

~~(4) for the matching requirement of another State or federal grant consistent with this section.~~

~~(e) Application; market assessment.~~

~~(1) An applicant shall include in its application a local and regional market assessment that demonstrates reasonable need for the proposed~~

~~development and identifies imminent, potential, or existing business growth opportunities.~~

~~(2) An applicant shall submit the following to demonstrate a readiness to begin and complete the proposed project:~~

~~(A) community and regional support for the project;~~

~~(B) that grant funding is needed to complete the proposed project;~~

~~(C) an ability to manage the project, with requisite experience and a plan for fiscal viability; and~~

~~(D) a description of the permitting required to proceed with the project and a plan for obtaining the permits.~~

~~(f) Awards; amount.~~

~~(1) An award shall not exceed the lesser of $1,000,000 or 20 percent of the total project cost.~~

~~(2) A recipient may combine grant funds with funding from other sources.~~

~~(3) The Agency shall release grant funds upon determining that the applicant has met all application conditions and requirements.~~

~~(4) A grant recipient may apply for additional grant funds if future amounts are appropriated for the Program and the funds are for a separate but eligible use.~~

~~(g) Deed restrictions; property sales. The Agency shall include deed restrictions that require the return of the principal amount to the state and may require the payment of a percentage of the sales profit.~~ [Repealed.]

S.327 LANGUAGE

Sec. E.801.1 10 V.S.A. § 6 is added to read:

§ 6. RURAL INDUSTRY DEVELOPMENT GRANT PROGRAM

(a) Creation; purpose.

(1) The Rural Industry Development Grant Program is created within the Agency of Commerce and Community Development to provide grant funding through local development corporations for the purpose of business relocation and expansion activities set forth in subsection (d) of this section.

(2) To the extent funding is appropriated, the Agency shall make grants through the Program fund to assist local development corporations with business relocation and expansion efforts throughout Vermont.

(3) As used in this section, "federally impacted property" means real property that is:

(A) owned by the United States or by any federal agency or an instrumentality thereof; or

(B) under the custody or control of a federally appointed receiver, trustee, or conservator, and includes property subject to federal court jurisdiction.

(b) Grant considerations. In making grant awards, the Agency shall consider:

(1) the real estate needs of growing and relocating businesses, including nonprofit organizations, in the applicant's region;

(2) the ability of the proposed project to meet the site-specific needs of businesses considering whether to expand or locate in this State;

(3) the funding that the applicant has identified, or secured, to leverage a grant award; and

(4) the readiness of an applicant to move a project forward.

(c) Eligible applicants; priority.

(1) To be eligible for a grant, an applicant must be a local development corporation, as defined in subdivision 212(10) of this title, located within this State.

(2) The Secretary of Commerce and Community Development may designate projects and agreements as first priority based on rural communities that continue to experience insufficient economic and grand list growth.

(d) Eligible activities. A grant recipient shall use any funding provided through this section only for the following:

(1) to purchase real property for potential industrial, commercial, or, in the case of a federally impacted property, residential use;

(2) for the costs of site development, permitting, or providing infrastructure for property the recipient owns;

(3) for a project that supports future commercial or industrial development as outlined in a development agreement;

(4) for the equity investment required for a loan transaction through the Vermont Economic Development Authority under 10 V.S.A. chapter 12, subchapter 3;

(5) for the matching requirement of another State or federal grant consistent with this section; or

(6) for the purchasing, holding, and renovation of property for the repurposing or redevelopment of a federally impacted property.

(e) Application; market assessment.

(1) An applicant shall include in its application a local and regional market assessment that demonstrates reasonable need for the proposed development and identifies imminent, potential, or existing business growth opportunities.

(2) An applicant shall submit the following to demonstrate a readiness to begin and complete the proposed project:

(A) community and regional support for the project;

(B) that grant funding is needed to complete the proposed project;

(C) an ability to manage the project, with requisite experience and a plan for fiscal viability; and

(D) a description of the permitting required to proceed with the project and a plan for obtaining the permits.

(f) Awards; amount.

(1)(A) An award shall not exceed the lesser of $1,000,000.00 or 50 percent of the total project cost, subject to the exception in subdivision (B) of this subdivision (1).

(B) An award may exceed $1,000,000.00 but shall not exceed $2,000,000.00 if the property is classified as a federally impacted property and the Secretary certifies that the project is located in:

(i) a designated downtown development district; and

(ii) a rural economic area partnership program (REAP Zone); or

(iii) a federally declared natural disaster area, provided the declaration was made not more than five years from the application date.

(2) A recipient may combine grant funds with funding from other sources.

(3) The Agency shall release grant funds upon determining that the applicant has met all application conditions and requirements.

(4) A grant recipient may apply for additional grant funds if future amounts are appropriated for the Program and the funds are for a separate but eligible use.

(g) Deed restrictions. Any deed restriction requiring a Rural Industry Development Grant Program award recipient to return to the State the principal amount of the grant or a percentage of the sales profit is void and shall not be enforced.

S.327 LANGUAGE

Sec. E.801.2 INTENT AND RETROACTIVITY

(a) The intent of Secs. E.801 and E.801.1 of this act is to move the Rural Industry Development Grant Program from its original placement in 2023 Acts and Resolves No. 78, Sec. F.8 to Title 10 of the Vermont Statutes Annotated. The move is intended to increase the visibility of the Program. Any person that was awarded a grant through the Program before the effective date of this act shall:

(1) not have its award rescinded solely due to the Program language being moved to Title 10;

(2) if the award has not been fully paid out, be eligible to have the applicant's invoices that are submitted on or after the effective date of this act to the Agency reimbursed at a rate of 50 percent; and

(3) not be eligible for an increased total award amount.

TECHNICAL UPDATE

Sec. E.325.1 DEPARTMENT FOR CHILDREN AND FAMILIES OFFICE OF ECONOMIC OPPORTUNITY; VERMONT HOMELESSNESS RESPONSE CONTINUUM BASE FUNDING

(a) Of the appropriations in Sec. B.325 of this act, $38,251,696 General Fund, $830,422 federal funds, and $202,488 Global Commitment shall be for Housing Opportunity Grant Program operations, $778,987 General Fund and $3,421,013 Global Commitment shall be for permanent supportive housing and family supportive housing, $500,000 General Fund shall be for the Community Resource Center, $2,400,000 General Fund shall be for case management, $3,000,000 General Fund shall be for rental assistance, $1,400,000 General Fund shall be for shelter development, and $314,618 federal funds shall be for other expenses relating to the implementation of the Vermont Homelessness Response Continuum.

(b) Any spending authority designated for the purposes provided in subsection (a) of this section that remains unexpended at the end of fiscal year 2027 shall be carried forward for the same purpose for which it was originally designated.

(c) Any spending authority designated for the Housing Opportunity Grant Program that remains unexpended at the end of fiscal year 2026 shall be carried forward for investment in the Vermont Homelessness Response Continuum in fiscal year 2027.