

3 Date:

6 Statement of purpose of bill as introduced: This bill proposes to increase the
7 downtown and village center tax credit program to \$5,000,000.00 annually;
8 expand services to small businesses by allocating funds that will support the
9 Vermont Law and Graduate School's business law center, increase business
10 advising with the Vermont Small Business Development Center, and support
11 the Vermont's Community Action Partnership's microbusinesses development
12 program; allocate funds to support the International Business Office,
13 brownfields remediation and redevelopment, and a comprehensive outdoor
14 study by Vermont Outdoor Recreation Economic Collaborative; create a task
15 force to study business development in Vermont; and repeal the prospective
16 repeal of the Vermont Employment Growth Incentive program.

17 An act relating to economic development

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

2 Sec. 1. PURPOSE

3 This act proposes to strengthen and support Vermont's businesses and
4 promote long-term economic growth by investing in the economic
5 development and vitality of its downtowns and village centers, providing key
6 financial support, technical assistance, and incentives for Vermont businesses
7 of all sizes and at all stages of development.

8 Sec. 2. 32 V.S.A. chapter 151, subchapter 11J is amended to read:

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

10 * * *

11 § 5930ee. LIMITATIONS

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

14 (1) the total amount of tax credits awarded annually, together with sales
15 tax reallocated under section 9819 of this title, does not exceed \$3,000,000.00
16 \$5,000,000.00;

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

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

10 * * *

11 Sec. 3. EXPANDING SERVICES FOR SMALL BUSINESSES

12 (a) Expanding legal services. Of monies appropriated to the Department of

13 Economic Development in fiscal year 2027, \$300,000.00 shall be allocated for

14 the purpose of supporting the Vermont Law and Graduate School's public

15 education offerings and free legal support to small businesses through its

16 Vermont Small Business Law Center, which include:

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

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

19 (3) an attorney referral program.

1 a grant to the Vermont Small Business Development Center for the purpose of
2 supporting the continuation of its work in helping Vermonters start, acquire,
3 and grow businesses. The funds shall also be used to increase business
4 advising and educational workshops to meet increasing demands of
5 entrepreneurs and small business owners post pandemic. This increase of
6 \$300,000.00 from the Governor's suggested budget will allow the Center to
7 serve an additional 200 Vermont entrepreneurs and business owners through
8 no-fee, one-to-one advising to help them start businesses, add and retain jobs,
9 increase sales, export products, and prepare their ownership succession plan to
10 transfer ownership for the business to continue to operate in Vermont.

11 (c) Microbusiness support. Of monies appropriated to the Department for
12 Children and Families in fiscal year 2027, \$594,000.00 shall be allocated to the
13 Office of Economic Opportunity for the purpose of supporting the Vermont
14 Community Action Partnership's microbusiness development program.

15 Sec. 4. VERMONT OUTDOOR RECREATION ECONOMIC
16 COLLABORATIVE

17 Of monies appropriated to the Department of Forests, Parks and Recreation
18 in fiscal year 2027, \$200,000.00 is allocated to the Vermont Outdoor
19 Recreation Economic Collaborative to conduct a comprehensive outdoor
20 recreation study that will provide a better understanding of what is and is not
21 working in the \$2.1 billion dollar outdoor recreation industry.

1 Sec. 5. INTERNATIONAL BUSINESS OFFICE; APPROPRIATION

2 Of monies appropriated to the Department of Economic Development in
3 fiscal year 2027, \$150,000.00 shall be allocated to the International Business
4 Office for the purpose of continuing to support the Office's initiatives.

5 Sec. 6. BROWNFIELDS ALLOCATION

6 Of monies appropriated to the Department of Economic Development in
7 fiscal year 2027, \$3,000,000.00 shall be allocated for brownfields remediation
8 and redevelopment.

9 Sec. 7. TASK FORCE TO ADDRESS BUSINESS DEVELOPMENT IN
10 VERMONT; REPORT

11 (a) Creation. There is created the Business Development Task Force for
12 the purpose of identifying how Vermont can better enable and support business
13 growth through every stage of development. The Task Force shall identify:

14 (1) what resources are currently available to small businesses and what
15 additional resources are needed to promote growth;

16 (2) how Vermont can improve access to capital for small businesses;
17 and

18 (3) how to improve succession planning for mature businesses.

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

1 (1) aggregate resources available to businesses at each stage of
2 development, including start-up, early-stage, middle-stage, and mature
3 companies;

4 (2) determine which additional resources are necessary to better serve
5 businesses for each stage of development;

6 (3) identify how best to market and communicate resources found
7 pursuant to subdivisions (1) and (2) of this subsection to Vermonters and the
8 business community;

9 (4) determine the State's role in accessing capital, including:

10 (A) the investment environment in the New England region;
11 (B) the availability of tax credits to leverage private capital; and
12 (C) ensuring support of the current Tech Hub designation;

13 (5) identify ways to offer investor education to high net worth
14 individuals interested in investing in Vermont businesses; and

15 (6) address any other related issues as determined by the Task Force.

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

19 (e) Reports. On or before November 15, 2026, the Task Force shall submit
20 a written report to the House Committee on Commerce and Economic
21 Development and the Senate Committee on Economic Development, Housing

1 and General Affairs with its findings and any recommendations for legislative
2 action.

3 (f) Meetings.

4 (1) The legislative members of the Task Force shall call the first
5 meeting of the Task Force to occur on or before August 1, 2026.

6 (2) The Task Force shall select a chair from among its members at the
7 first meeting.

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

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

10 (g) Compensation and reimbursement.

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

16 (2) Other members of the Task Force shall be entitled to reimbursement
17 of expenses as permitted under 32 V.S.A. § 1010 for not more than eight
18 meetings.

19 (3) Payments to members of the Task Force authorized under this
20 subsection shall be made from monies appropriated to the Agency of
21 Commerce and Community Development.

1 Sec. 8. 2016 Acts and Resolves No. 157, Sec. H.12, as amended by 2022
2 Acts and Resolves No. 164, Sec. 5, 2023 Acts and Resolves No. 72, Sec. 39,
3 and 2024 Acts and Resolves No. 176, Sec. 1, is further amended to read:

4 Sec. H.12. ~~VEGI; REPEAL OF AUTHORITY TO AWARD INCENTIVES~~
5 ~~Notwithstanding any provision of law to the contrary, the Vermont~~
6 ~~Economic Progress Council shall not accept or approve an application for a~~
7 ~~Vermont Employment Growth Incentive under 32 V.S.A. chapter 105,~~
8 ~~subchapter 2 on or after January 1, 2027. [Repealed.]~~

9 Sec. 9. 2025 Acts and Resolves No. 65, Sec. 3 is amended to read:

10 Sec. 3. TASK FORCE TO EXPLORE DEVELOPMENT OF
11 CONVENTION CENTER AND PERFORMANCE VENUE

12 * * *

13 (f) Meetings.

14 * * *

15 (5) The Task Force shall meet not more than ~~six~~ 14 times.

16 * * *

17 Sec. 10. EFFECTIVE DATES

18 This act shall take effect on July 1, 2026, except that this section (effective
19 dates) and Sec. 9 (convention center task force) shall take effect on passage.