

Remote Worker Grant Program

Annual Report
January 1, 2019 to September 15, 2019

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About the Remote Worker Grant Program

The Remote Worker Grant Program is managed by the Agency of Commerce and Community Development's Department of Economic Development. This grant program provides funds to offset the cost of relocating to Vermont which helps Vermonters by increasing the population of taxpayers in the state as well as increasing the number of children enrolled in Vermont schools. It also helps to build the employment base as Vermont faces a workforce shortage and employers are struggling to find workers.

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EXECUTIVE SUMMARY

The Vermont Legislature in 2018 passed legislation as part of [Act 197, Sec. 1](#) creating the Remote Worker Grant Program, which was signed into law by Governor Phil Scott. The Agency of Commerce & Community Development (ACCD) was tasked with the implementation of the program. The purpose of the program is to address the need for more workers in Vermont as well as promote remote workers and remote work arrangements.

Media awareness of the program began with the passage of Act 197 in spring of 2018 and has remained high. Thousands of people called and emailed ACCD for information, [ThinkVermont.com](#) website traffic skyrocketed, and thousands of FAQs and applications were downloaded. Many state, county, and municipal officials from other states inquired about the program as a means to attract residents. Nine months into the fully-operational program, interest remains strong.

Between the passage of Act 197 and December 31, 2018, program development by ACCD staff included defining eligibility criteria, creating web content, creating an application with instructions and *Frequently Asked Questions*, and establishing an application workflow. ACCD staff implemented procedures for awarding grants that included: accepting and reviewing applications; standards for notifying applicants of status updates; receiving Form W-9s and applicant surveys; issuing awards; file maintenance and record retention. A Granting Plan, as required by Vermont Bulletin 5, was submitted to the Agency of Administration and received approval June 18, 2019. As of September 15, 2019, ACCD awarded \$320,834 in grants to 84 new Vermont remote workers.

OUTCOMES AS OF SEPTEMBER 15, 2019

Totals

Between January 1 and September 15, 2019, ACCD awarded \$320,834 to 84 new Vermont remote workers. Grants ranged from \$400 to \$5,000; the average grant awarded was \$3,819. As of September 15, 2019, the grant application was downloaded 4,201 times.

The average grant
award was
\$3,819



4,201

Application Downloads



84

Grants Awarded



\$320,834

Total Funds Awarded

Grantees brought with them an additional 134 family members (including 44 children), for a total of 218 new Vermonters.

218

New Vermonters from
grantees and additional
family members.



84

Grantees



90

Additional Family Adults



44

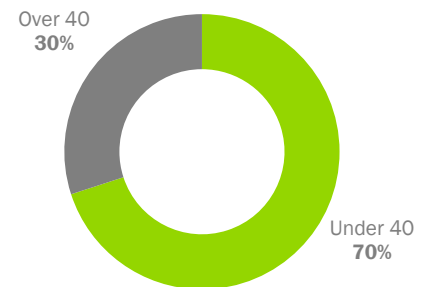
Additional Family Children

Demographics

AGE

Of the remote worker grantees, 70% are under the age of 40. The average age for grantees at the time of their award was 39 years.

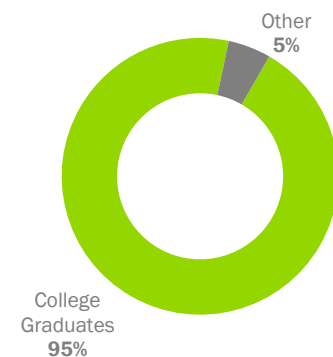
AWARDEE AGE DISTRIBUTION



EDUCATION

Ninety-five percent of the grantees are college graduates. 37% have completed graduate school.

AWARDEE LEVELS OF EDUCATION



OCCUPATIONS

The top fields of employment represented by grantees were information technology (31%), management (13%), writing and editing (8%), finance and sales (both tied at 6%), and marketing (5%). Other fields represented included insurance, education, project management, and law. Vermont co-working space memberships were purchased by fourteen grantees and six additional grantees indicated they are considering doing so.

TOP FIELDS OF EMPLOYMENT REPRESENTED BY AWARDEES



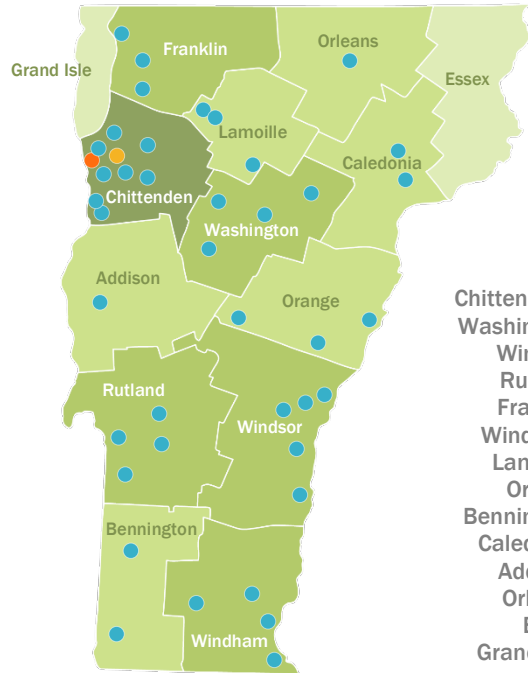
Geographic Distribution of Grantees

Grantees relocated to Vermont from 30 different states, settling in 42 different towns across 12 Vermont counties.

WHERE GRANTEEES SETTLED

- 1-4
- 5-9
- 10+ By Community
- 1-4
- 5-9
- 10+ By County

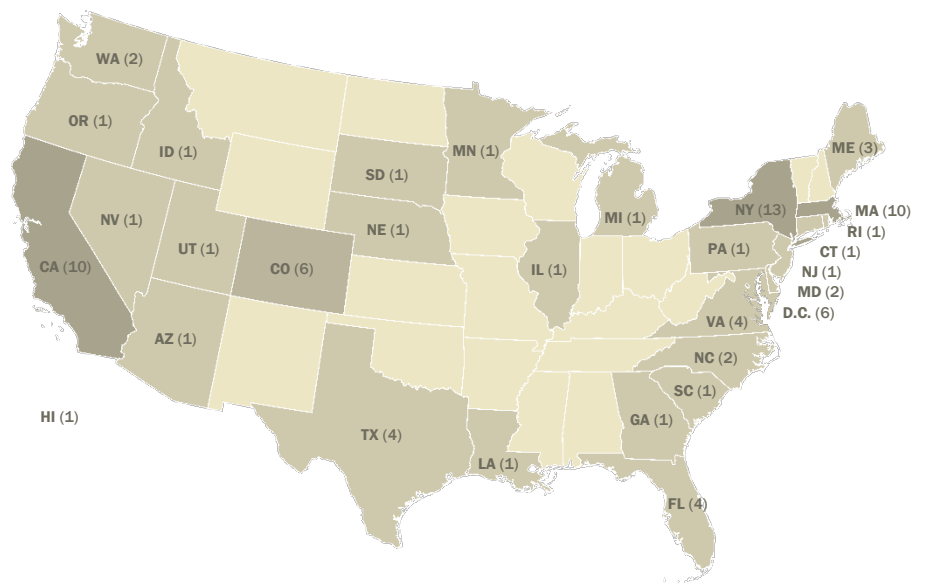
Awardees settled in
42
different Vermont
cities/towns.



WHERE GRANTEEES RELOCATED FROM

- 1-4
- 5-9
- 10+

Awardees moved from
30
different states.



Prior Vermont Experience

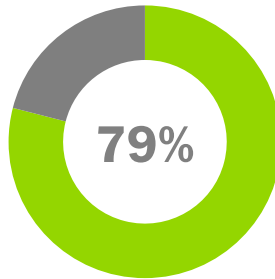
The majority of grantees (96%) had previously experienced Vermont. When asked if they had prior Vermont experience, grantees reported:

96%

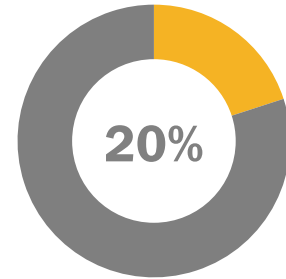
of grantees have
previously experienced
Vermont.

4%

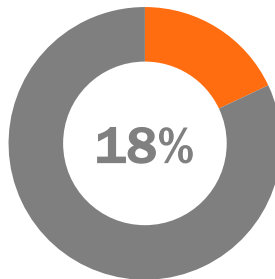
of grantees have
no prior Vermont
experience.



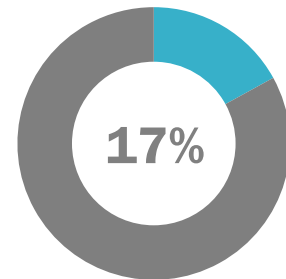
Vacationing in Vermont



Visited Family in Vermont



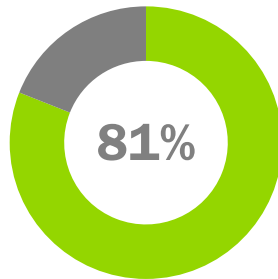
Working in Vermont



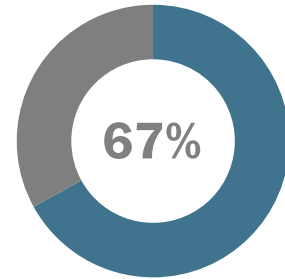
Attending School in Vermont

Other Motivations

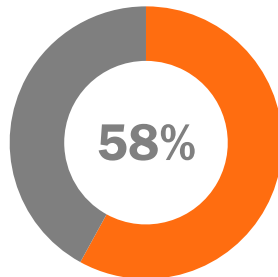
When grantees were asked which of the below factors attracted them to move to Vermont, this is what they shared:



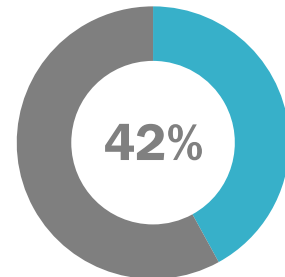
Access to Outdoor Recreation and Nature



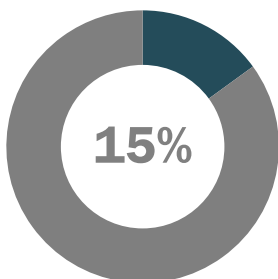
Safe Place to Live and Raise a Family



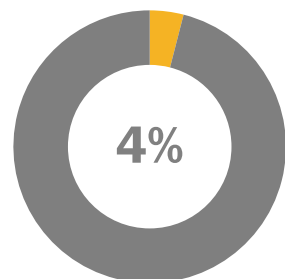
Remote Worker Grant Program



Friends and Family Live Here



Quality Education



Available Job Opportunities

While others noted they were motivated by affordability, previous Vermont residency or school enrollment, environment, quality of life, political climate, leaving urban life, climate-resilient geographical location, and a robust culture of natural/local food production.

DESCRIPTION OF PROCEDURES

The program application process starts with a visit to ThinkVermont.com or Vermont Department of Economic Development's website (acd.vermont.gov/economic-development/remoteworkergrantprogram) for the downloadable [FAQs](#) and [application](#). The application has two parts: one for the remote worker and one for the employer. The applicant is responsible for submitting both parts. Completed applications with supporting documentation are submitted via email and a confirmation of receipt is sent.

Applications are reviewed for program eligibility and evidence of eligible grant expenditures. Staff utilize a checklist to review each application for the following criteria:

- Program Eligibility
- Proof of Vermont residency
- Expense eligibility (relocation, computer software/hardware, broadband access/upgrade, co-working space membership)
- Employer verification
- Supporting documentation

Upon review of an application, the applicant will receive an email notifying them if further information is needed or approval. If further information is needed, they will receive a list of the specific items needed to support the application.

When an application is determined to be complete and eligible, the application and supporting documentation receives a final review by a second staff member and the applicant receives a notification to submit a W-9 and complete a short demographic survey. Once the survey and W-9 are received the applicant is notified they have been awarded a grant and the exact amount of the grant. A risk-assessment is completed, and the grant agreement is then generated and sent to the grantee outlining the program and the expense types granted. The grantee must sign the grant agreement and return it for final signature execution by the Commissioner at which point grant funds are disbursed.

Over
981

Articles have been
written about
the Program.

90%

of remote workers
heard about the
program through
the media.

PROMOTION AND MARKETING

News of the program spread quickly as soon as the initial bill left committee. **Fast Company** was the first national media outlet to cover it, and from there it went viral. The word quickly spread about the “move to Vermont, get \$10,000” promotion.

ACCD leadership has participated in many national media interviews (and some international). DCI, the public relations firm contracted by ACCD, has calculated that the dollar value of program media coverage to date (along with its companion program **Stay to Stay Weekends**) is equivalent to over \$7 million. Over 981 articles have been written about the program. This media coverage has generated more than two billion impressions. With such extensive media coverage, promotion by ACCD was limited to website and program development as well as correcting misinformation.

SUCCESS STORIES

Miguel Turner

Miguel Turner, a 37-year old cyber security expert, and his growing family relocated to the state from Miami. He and his wife with their two children had been living in a suburban home with less than an acre of land. With another child on the way and family ties to the Pawlet area, they relocated to Vermont and purchased a \$450,000 post-and-beam style home on nine acres in Cambridge with views of Mount Mansfield.

Turner, said he, too, feels the taxes he's paying and the restaurants, wineries and other businesses his family plans to patronize as they explore their new home will more than make their clan a net contributor to the state's economy. *"I'd like to think that I'm the type of person they were looking for,"* he said.



Colin Palkovitz

"I really value working remotely, it just innately enables me to be wherever I want to be, and to have my family be with me in a setting where we choose a location and a culture," said Colin Palkovitz, a remote worker who traveled across the country with his wife and their two kids in search of a new place to call home. They dreamed of owning land and that dream became reality when they purchased a 64-acre property in Pawlet, formerly a meditation retreat, with ponds and creeks.



"It's very peaceful and secluded and you can feel that," he said describing his property that includes an abundance of land with ponds and creeks that have changed the pace of living for his family. *"The kids spend afternoons in the pond, playing in the creek catching frogs and snakes – they're raising chickens and bunnies. It's been exactly what we were looking for."*

Teddy Martin

Teddy Martin and his wife relocated to Brattleboro from New York City. *"We didn't feel like we wanted to be in New York anymore,"* said the 30-year old software engineer. They first considered New Orleans, where Martin grew up. Teddy's sister was already living in Vermont and news of the grant program was hard to ignore. *"People kept telling me about it,"* he said. So far the couple are enjoying the change of scenery. *"We generally feel healthier."* *"We have more space, there is no question,"* he said of their rented apartment.



AMENDMENTS AND RECOMMENDATIONS

The Remote Worker program was originally appropriated \$500,000 as follows:

Fiscal Year 2019 (to begin January 1, 2019) \$125,000

Fiscal Year 2020 (to begin July 1, 2019) \$250,000

Fiscal Year 2021 (to begin July 1, 2020) \$125,000

The entire FY2019 appropriation (\$125,000) had been awarded two months before the end of the fiscal year while ACCD continued to receive grant applications. During the 2019 session, the Legislature approved a change to the program funding allowing the remaining \$375,000 in program funds to be awarded starting July 1, 2019 removing the FY2020 cap. It is anticipated the program will have awarded all \$500,000 by the end of calendar year 2019.

During the 2019 session the Legislature also removed the restriction that remote worker's employers must be domiciled outside of Vermont. This allows remote workers who are employed by Vermont companies to be eligible for the program.

Recommendations

The Legislature specifically requested recommendations for “qualifying remote worker expenses or qualifying workers that should be eligible under the program, and any recommendations for the maximum amount of the grant.”

- Eligible workers for the current program must be full-time employees of a company and receive a W-2 from that company. ACCD received many inquiries from individuals who were self-employed wondering if they were eligible. **An incentive for the self-employed and entrepreneurs could address that demographic.**
- During the 2019 session the Legislature appropriated \$1.195M for a new relocation incentive for workers who move to Vermont on or after January 1, 2020 to work full-time for employers based in Vermont (New Worker Incentive Program, **Act 80, Sec. 12**). Once the funding for the Remote Worker Grant Program is fully disbursed, rather than re-allocating funds to this program, **it would be simpler to include remote workers in the New Worker Incentive Program.**
- ACCD will be asking the Legislature in 2020 to **add language providing for the Agency to work with the Department of Taxes to verify the filing status of grantees.**

APPENDIX: ACT 197, SEC. 1 OF 2018

No. 197. An act relating to promoting remote work.

(S.94)

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

* * * Promoting Remote Workers and Remote Work Arrangements * * *

Sec. 1. NEW REMOTE WORKER GRANT PROGRAM

(a) As used in this section:

- (1) “New remote worker” means an individual who:
 - (A) is a full-time employee of a business with its domicile or primary place of business outside Vermont;
 - (B) becomes a full-time resident of this State on or after January 1, 2019; and
 - (C) performs the majority of his or her employment duties remotely from a home office or a co-working space located in this State.
- (2) “Qualifying remote worker expenses” means actual costs a new remote worker incurs for one or more of the following that are necessary to perform his or her employment duties:
 - (A) relocation to this State;
 - (B) computer software and hardware;
 - (C) broadband access or upgrade; and
 - (D) membership in a co-working or similar space.

- (b) (1) The Agency of Commerce and Community Development shall design and implement the New Remote Worker Grant Program, which shall include a simple certification process to certify new remote workers and certify qualifying expenses for a grant under this section.
- (2) A new remote worker may be eligible for a grant under the Program for qualifying remote worker expenses in the amount of not more than \$5,000.00 per year, not to exceed a total of \$10,000.00 per individual new remote worker over the life of the Program.
- (3) The Agency shall award grants under the Program on a first-come, first-served basis, subject to available funding, as follows:
 - (A) not more than \$125,000.00 in calendar year 2019;
 - (B) not more than \$250,000.00 in calendar year 2020;
 - (C) not more than \$125,000.00 in calendar year 2021; and
 - (D) not more than \$100,000.00 per year in each subsequent calendar year, to the extent funding remains available.

- (c) The Agency shall:
 - (1) adopt procedures for implementing the Program;
 - (2) promote awareness of the Program, including through coordination with relevant trade groups and by integration into the Agency's economic development marketing campaigns; and
 - (3) adopt measurable goals, performance measures, and an audit strategy to assess the utilization and performance of the Program.
- (d) On or before October 1, 2019, the Agency shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning the implementation of this section, including:
 - (1) a description of the procedures adopted pursuant to subdivision
 - (c) (1) of this section;
 - (2) the promotion and marketing of the Program pursuant to subdivision
 - (c) (2) of this section; and
 - (3) any additional recommendations for qualifying remote worker expenses or qualifying workers that should be eligible under the Program, and any recommendations for the maximum amount of the grant.

APPENDIX: ACT 80, SEC. 12 OF 2019

Sec. 12. NEW WORKER RELOCATION INCENTIVE PROGRAM

- (a) The Agency of Commerce and Community Development shall design and implement a New Worker Relocation Incentive Program to award incentive grants to new workers as provided in this section and subject to the policies and procedures the Agency adopts to implement the Program.
- (b) Incentives for new workers. A new worker may be eligible for a grant under the Program for qualifying expenses, subject to the following:
 - (1) A base grant for a new worker shall not exceed \$5,000.00.
 - (2) The Agency may award an enhanced grant, which shall not exceed \$7,500.00, for a new worker who relocates to a labor market area in this State in which:
 - (A) the average annual unemployment rate in the labor market area exceeds the average annual unemployment rate in the State; or
 - (B) the average annual wage in the State exceeds the annual average wage in the labor market area.
- (c) The Agency shall:
 - (1) adopt procedures for implementing the Program, which shall include a simple certification process to certify new workers and qualifying expenses;
 - (2) promote awareness of the Program, including through coordination with relevant trade groups and by integration into the Agency's economic development marketing campaigns;
 - (3) award grants on a first-come, first-served basis beginning January 1, 2020, subject to available funding; and
 - (4) adopt measurable goals, performance measures, and an audit strategy to assess the utilization and performance of the Program
- (d) On or before October 1, 2020, the Agency shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning the implementation of this section, including:
 - (1) a description of the policies and procedures adopted to implement the Program; and
 - (2) the promotion and marketing of the Program.
- (e) As used in this section:
 - (1) "New worker" means an individual who on or after January 1, 2020:

- (A) becomes a full-time resident of this State;
 - (B) becomes a full-time employee of a business domiciled or authorized to do business in this State;
 - (C) (i) is employed in an occupation identified by the Department of Labor in its 2016–2026 Long Term Occupational Projections as one of the top occupations at each level of educational attainment typical for entry; or
(ii) who the Agency determines should otherwise receive an incentive grant under the Program because the worker possesses exceptional education, skills, or training or due to other extraordinary circumstances; and
 - (D) whose gross wage for the position equals or exceeds:
 - (i) 160 percent of the State minimum wage; or
 - (ii) if the employer is located in a labor market area in which the average annual unemployment rate is higher than the average annual unemployment rate for the State, 140 percent of the State minimum wage.
- (2) “Qualifying expenses” means the actual costs that a new worker incurs for one or more of the following:
- (A) relocation expenses, which may include closing costs for a primary residence; rental security deposit; first month’s rent payment; and other expenses established in Agency guidelines; and
 - (B) expenses necessary for a new worker to perform his or her employment duties, including connectivity costs, specialized tools and equipment, and other expenses established in Agency guidelines.