

# Journal of the Senate

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FRIDAY, APRIL 15, 2022

The Senate was called to order by the President.

## Devotional Exercises

Devotional exercises were conducted by the Reverend Kenzan of East Calais.

## Message from the House No. 48

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has passed a House bill of the following title:

**H. 741.** An act relating to approval of amendments to the charter of the City of St. Albans.

In the passage of which the concurrence of the Senate is requested.

The House has considered a bill originating in the Senate of the following title:

**S. 171.** An act relating to adoption of a State code of ethics.

And has passed the same in concurrence with proposal of amendment in the adoption of which the concurrence of the Senate is requested.

The House has considered joint resolution originating in the Senate of the following title:

**J.R.S. 50.** Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

## Message from the House No. 49

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered a bill originating in the Senate of the following title:

**S. 74.** An act relating to modifications to Vermont's patient choice at end of life laws.

And has passed the same in concurrence.

The House has adopted House concurrent resolutions of the following titles:

**H.C.R. 139.** House concurrent resolution congratulating the Vermont winners of the 2022 NYSRAEF ProStart Invitational culinary competition.

**H.C.R. 140.** House concurrent resolution congratulating E.J. Barrette & Sons Inc. of Swanton on its centennial.

**H.C.R. 141.** House concurrent resolution congratulating Chef Christian Kruse on his selection as a 2022 semifinalist for the receipt of the James Beard Foundation's Best Chef: Northeast Award.

**H.C.R. 142.** House concurrent resolution in memory of Sister Janice E. Ryan, RSM.

**H.C.R. 143.** House concurrent resolution in memory of George H. Severance of Hinesburg.

In the adoption of which the concurrence of the Senate is requested.

The House has considered concurrent resolution originating in the Senate of the following title:

**S.C.R. 18.** Senate concurrent resolution in memory of former Assistant Attorney General Mark Di Stefano of Montpelier.

And has adopted the same in concurrence.

#### **Message from the House No. 50**

A message was received from the House of Representatives by Ms. Melissa Kucserik, its First Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered Senate proposals of amendment to the following House bills:

**H. 461.** An act relating to excluding the income of asylum seekers and refugees from household income.

**H. 629.** An act relating to access to adoption records.

**H. 708.** An act relating to the approval of an amendment to the charter of the City of Burlington.

And has severally concurred therein.

### **Bills Referred to Committee on Appropriations**

House bills of the following titles, appearing on the Calendar for notice, and carrying an appropriation or requiring the expenditure of funds, under the rule were severally referred to the Committee Appropriations:

**H. 265.** An act relating to the Office of the Child, Youth, and Family Advocate.

**H. 464.** An act relating to miscellaneous changes to the Reach Up Program.

**H. 515.** An act relating to banking, insurance, and securities.

**H. 711.** An act relating to the creation of the Opioid Settlement Advisory Committee and the Opioid Abatement Special Fund.

**H. 720.** An act relating to the system of care for individuals with developmental disabilities.

### **Bill Referred**

House bill of the following title was read the first time:

**H. 741.** An act relating to approval of amendments to the charter of the City of St. Albans.

And pursuant to Temporary Rule 44A was referred to the Committee on Rules.

### **Proposal of Amendment; Third Reading Ordered**

#### **H. 159.**

Senator Sirotkin, for the Committee on Economic Development, Housing and General Affairs, to which was referred House bill entitled:

An act relating to community and economic development and workforce revitalization.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

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\* \* \* Purpose \* \* \*

Sec. 1. PURPOSE

The purpose of this act is to address the negative economic impacts of COVID-19 on Vermont's economy, employers, workers, and families while simultaneously leveraging opportunities to grow Vermont's economy.

\* \* \* Relocating Employee Incentives \* \* \*

Sec. 2. 10 V.S.A. § 4 is amended to read:

§ 4. NEW RELOCATING EMPLOYEE INCENTIVES

(a) The Agency of Commerce and Community Development shall design and implement a program to award incentive grants to relocating employees as provided in this section and subject to the policies and procedures the Agency adopts to implement the program.

(b) A relocating employee may be eligible for a grant under the program for qualifying expenses, subject to the following:

(1) A base grant shall not exceed \$5,000.00.

(2) The Agency may award an enhanced grant, which shall not exceed \$7,500.00, for a relocating employee who becomes a resident in 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 relocating employees 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 to relocating employees on a first-come, first-served basis beginning on July 1, 2021, subject to available funding adopt procedures to initially approve an applicant for a grant after verifying a relocating employee's eligibility and to make final payment of a grant after verifying that the relocating employee has completed relocation to this State; and

(4) adopt measurable goals, performance measures, and an audit strategy to assess the utilization and performance of the program.

(d) ~~On~~ Annually, on or before January 15, ~~2022~~, 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;

(2) the promotion and marketing of the program; and

(3) an analysis of the utilization and performance of the program, including the projected revenue impacts and other qualitative and quantitative returns on investment in the program based on available data and modeling.

(e) As used in this section:

(1) “Qualifying expenses” means the actual costs a relocating employee incurs for relocation expenses, which may include moving costs, closing costs for a primary residence, rental security deposit, one month’s rent payment, and other relocation expenses established in Agency guidelines.

(2) “Relocating employee” means an individual who meets the following criteria:

(A)(i) On or after July 1, 2021:

(I) the individual becomes a full-time resident of this State;

(II) the individual becomes a full-time employee at a Vermont location of a for-profit or nonprofit business organization domiciled or authorized to do business in this State, or of a State, municipal, or other public sector employer; and

~~(III) the individual becomes employed in one of the “Occupations with the Most Openings” identified by the Vermont Department of Labor in its “Short Term Employment Projections 2020-2022”; and~~

~~(IV) the employer attests to the Agency that, after reasonable time and effort, the employer was unable to fill the employee’s position from among Vermont applicants; or~~

(ii) on or after February 1, 2022:

(I) the individual becomes a full-time resident of this State; and

(II) the individual is a full-time employee of an out-of-state business and performs the majority of his or her employment duties remotely from a home office or a co-working space located in this State.

(B) The individual receives gross salary or wages that equal or exceed the Vermont livable wage rate calculated pursuant to 2 V.S.A. § 526.

(C) The individual is subject to Vermont income tax.

Sec. 3. THINK VERMONT REGIONAL RECRUITMENT AND RELOCATION NETWORK

(a) Regional recruitment and relocation network. The Department of Tourism and Marketing shall launch and lead a coordinated regional relocation network to facilitate the successful recruitment and relocation of individuals to Vermont. The Department of Tourism and Marketing shall build capacity to facilitate lead generation and support a network of regional and local entities embedded in their communities who will act as resource coordinators to transform leads into permanent residents. These network partners shall be responsible for providing quick, customized information, resources, and referrals. The network shall be designed to:

(1) leverage all available State and federal resources;

(2) provide a regionally customized customer support pathway for potential residents;

(3) receive, respond to, and track leads generated by State marketing efforts;

(4) ensure that every inquiry is responded to in a timely, appropriate way in support of future employment and successful relocation;

(5) collaborate with regional employers on their recruitment efforts to maximize the sharing of information about employment opportunities and promote placements or matching of applicants;

(6) track, share, and report information between other regional contacts, State agencies, and departments; and

(7) evolve and respond to new needs and resources.

(b) System infrastructure.

(1) The Department shall establish a competitive RFP process, with the goal of contracting with an entity, based on responses received, in each of 12 designated regions. The competitive process will help the Department ensure that there is capacity within responding entities to perform the scope of work required.

(2) The Department shall score the RFP responses and utilize a scoring system to choose a partner entity in each region of the State.

(3) The Department shall create one full-time staff position to maintain oversight and management of the regional network and report on outcomes and relocation services delivered.

(4) The regional network shall be integrated into current recruitment efforts to maximize existing tools such as ThinkVermont.com.

(5) The Department shall leverage its existing programmatic footprint to ensure that relocation assistance is available in every region of the State.

(6) To the extent possible, the regional relocation network shall not duplicate or replace existing public or private recruitment programs.

(7) The Department shall work to coordinate and enhance these efforts to create a wraparound system of support, information, and recordkeeping.

(c) Coordination. The Department shall coordinate with statewide and community-based organizations, as well as Agencies and Departments in State government, including the Department of Labor, the Agency of Human Services, Vocational Rehabilitation, Regional Development Corporations and Regional Planning Commissions, and statewide and local chambers of commerce.

(d) Promotion and marketing.

(1) The Department shall promote Vermont as a relocation destination to attract new residents to the State and generate leads for the regional relocation network.

(2) The Department shall use a mix of marketing tactics, each with specific benchmarks to define success, including:

(A) secure and maintain positive earned media coverage in national, regional, and other news media;

(B) extend the reach of positive news coverage through owned media channels;

(C) utilize paid media opportunities to advertise Vermont as a place to live, work, visit, and do business; and

(D) utilize targeting techniques to reach key populations in high demand occupations in sectors facing workforce shortages in Vermont as well as individuals of diverse backgrounds.

(e) Report. The Department shall include the following metrics in addition to a progress update and any recommendations annually to the General Assembly:

(1) the number of inquiries received and individuals served in each region, by region; and

(2) employment and relocation status data on all individuals served.

(f) Implementation. The Department of Tourism and Marketing shall launch the RFP and select regional network partners based on the responses on or before November 15, 2022.

\* \* \* Capital Investment Grant Program \* \* \*

Sec. 4. 2021 Acts and Resolves No. 74, Sec. H.18 is amended to read:

Sec. H.18 CAPITAL INVESTMENT GRANT PROGRAM

(a) Creation; purpose; regional outreach.

(1) The Agency of Commerce and Community Development shall use the \$10,580,000 appropriated to the Department of Economic Development in Sec. G.300(a)(12) of this act to design and implement a capital investment grant program consistent with this section.

(2) The purpose of the program is to make funding available for transformational projects that will provide each region of the State with the opportunity to attract businesses, retain existing businesses, create jobs, and invest in their communities by encouraging capital investments and economic growth.

(3) The Agency shall collaborate with other State agencies, regional development corporations, regional planning commissions, and other community partners to identify potential regional applicants and projects to ensure the distribution of grants throughout the regions of the State.

(b) Eligible applicants.

(1) To be eligible for a grant, an applicant shall comply with the Department of Treasury Final Rule implementing the Coronavirus State and Local Fiscal Recovery Funds established under the American Rescue Plan Act and meet the following criteria:

(A) The applicant is located within this State.

(B) The applicant is:

(i)(I) a for-profit entity with not less than a 10 percent equity interest in the project; or

(II) a nonprofit entity; and

(ii) grant funding from the Program represents not more than 50 percent of the total project cost.

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- (C) The applicant demonstrates:
- (i) community and regional support for the project;
  - (ii) that grant funding is needed to complete the project;
  - (iii) leveraging of additional sources of funding from local, State, or federal economic development programs; and
  - (iv) an ability to manage the project, with requisite experience and a plan for fiscal viability.
- (2) The following are ineligible to apply for a grant:
- (A) a State or local government-operated business;
  - (B) a municipality;
  - (C) a business that, together with any affiliated business, owns or operates more than 20 locations, regardless of whether those locations do business under the same name or within the same industry; and
  - (D) a ~~publicly-traded~~ publicly traded company.
- (c) Awards; amount; eligible uses.
- (1) An award shall not exceed the lesser of ~~\$1,500,000.00~~ \$1,000,000 or ~~the estimated net State fiscal impact of the project based on Agency modeling~~ 20 percent of the total project cost.
- (2) A recipient may use grant funds for the acquisition of property and equipment, construction, renovation, and related capital expenses.
- (3) A recipient may combine grant funds with funding from other sources but shall not use grant funds from multiple sources for the same costs within the same project.
- (4) The Agency shall release grant funds upon determining that the applicant has met all Program conditions and requirements.
- (5) Nothing in this section is intended to prevent a grant recipient from applying for additional grant funds if future amounts are appropriated for the program.
- ~~(d) Data model; approval.~~
- ~~(1) The Agency shall collaborate with the Legislative Economist to design a data model and related methodology to assess the fiscal, economic, and societal impacts of proposals and prioritize them based on the results.~~
- ~~(2) The Agency shall present the model and related methodology to the Joint Fiscal Committee for its approval not later than September 1, 2021.~~

(e) Application process; decisions; awards.

(1)(A) The Agency shall accept applications on a rolling basis for three-month periods and shall review and consider for approval the group of applications it has received as of the conclusion of each three-month period.

(B) The Agency shall make application information available to the Legislative Economist and the Executive Economist in a timely manner.

~~(2) Using the data model and methodology approved by the Joint Fiscal Committee, the Agency shall analyze the information provided in an application to estimate the net State fiscal impact of a project, including the following factors:~~

~~(A) increase to grand list value;~~

~~(B) improvements to supply chain;~~

~~(C) jobs impact, including the number and quality of jobs; and~~

~~(D) increase to State GDP. [Repealed.]~~

(3) The Secretary of Commerce and Community Development shall appoint an interagency team, which may include members from among the Department of Economic Development, the Department of Housing and Community Development, the Agency of Agriculture, Food and Markets, the Department of Public Service, the Agency of Natural Resources, or other State agencies and departments, which team shall review, analyze, and recommend projects for funding consistent with the guidelines the Agency develops in coordination with the Joint Fiscal Office and approved by the Joint Fiscal Committee and based on the estimated net State fiscal impact of a project and ~~on other contributing factors, including the following:~~

(A) transformational nature of the project for the region;

(B) project readiness, quality, and demonstrated collaboration with stakeholders and other funding sources;

(C) alignment and consistency with regional plans and priorities; and

(D) creation and retention of workforce opportunities.

(4) The Secretary of Commerce and Community Development shall consider the recommendations of the interagency team and shall give final approval to projects.

(f) Grant agreements; post award monitoring.

(1) If selected by the Secretary, the applicant and the Agency shall execute a grant agreement that includes audit provisions and minimum requirements for the maintenance and accessibility of records that ensures that

the Agency and the Auditor of Accounts have access and authority to monitor awards.

(2) The Agency shall publish on its website not later than 30 days after approving an award a brief project description, the name of the grantee, and the amount of a grant.

(g) Report. On or before ~~December 15, 2021~~ February 15, 2023, 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 implementation of the program;

(2) the promotion and marketing of the program;

(3) an analysis of the utilization and performance of the program, ~~including the projected revenue impacts and other qualitative and quantitative returns on investment in the program based on available data and modeling.~~

(h) Implementation.

(1) The Agency of Commerce and Community Development shall consult with the Legislative Joint Fiscal Office to develop guidelines and approval processes for the Capital Investment Grant Program and shall submit the proposed guidelines and processes to the Joint Fiscal Committee for approval prior to accepting applications for grants through the Program.

(2) When considering whether and how to prioritize economic sectors that have suffered economic harm due to the COVID-19 pandemic, the Agency may designate one or more sectors for priority consideration through the Program, including the arts and culture, travel, lodging, tourism, agriculture, and child care sectors.

\* \* \* VEDA Short-Term Forgivable Loans \* \* \*

## Sec. 5. VEDA SHORT-TERM FORGIVABLE LOANS

(a) Creation. The Vermont Economic Development Authority shall create a Short-Term Forgivable Loan Program to support Vermont businesses experiencing continued working capital shortfalls as a result of the COVID-19 public health emergency.

(b) Eligible business. An eligible borrower is a for-profit or nonprofit business:

(1) with fewer than 500 employees;

(2) located in Vermont;

(3) that was in operation or had taken substantial steps toward becoming operational as of March 13, 2020; and

(4) that can identify economic harm caused by or exacerbated by the pandemic.

(c) Economic harm.

(1) An applicant shall demonstrate economic harm from lost revenue, increased costs, challenges covering payroll, rent or mortgage interest, or other operating costs that threaten the capacity of the business to weather financial hardships and result in general financial insecurity due to the COVID-19 public health emergency.

(2) The Authority shall measure economic harm by a material decline in the applicant's annual adjusted net operating income before the COVID-19 public health emergency relative to its annual adjusted net operating income during the COVID-19 public health emergency.

(3) When assessing an applicant's adjusted net operating income, the Authority shall consider previous COVID-19 State and federal subsidies, reasonable owner's compensation, noncash expenses, extraordinary items, and other adjustments deemed appropriate.

(4) To be eligible for a loan, the Authority shall determine that a business has experienced at least a 25 percent reduction in its adjusted net operating income in calendar years 2020 and 2021 combined as compared to 2019, or other appropriate basis of comparison where necessary, and that 50 percent or more of the reduction occurred in 2021.

(d) Maximum loan. The Authority shall determine the amount of a loan award pursuant to guidelines adopted pursuant to subsection (f) of this section, provided that a loan shall not exceed the lesser of:

(1) \$200,000.00;

(2)(A) six months of eligible fixed costs; or

(B) if, due to the nature of the business and its historical experience fixed costs are not an accurate measure of ongoing operational need, another amount based on a comparable measure of cost; or

(3) the amount of the cumulative decline in adjusted net operating income during the COVID-19 public health emergency in 2020 and 2021.

(e) Eligible use of loan; loan forgiveness.

(1) A loan recipient may use loan proceeds to pay for eligible fixed costs or operating expenses but shall not use the proceeds for capital expenditures.

(2) The Authority shall approve loan forgiveness based on documentation evidencing loan proceeds were used to pay for eligible fixed costs or operating expenses.

(f) Guidelines. The Vermont Economic Development Authority shall consult with the Legislative Joint Fiscal Office to develop guidelines and approval processes for the VEDA Short-Term Forgivable Loan Program and shall submit the proposed guidelines and processes to the Joint Fiscal Committee for approval prior to accepting applications for grants through the Program.

(g) Priority sectors. When considering whether and how to prioritize economic sectors that have suffered economic harm due to the COVID-19 pandemic, the Agency of Commerce and Community Development may designate one or more sectors for priority funding through the Program, including the arts and culture, travel, lodging, tourism, agriculture, and child care sectors.

\* \* \* Project-Based Tax Increment Financing \* \* \*

Sec. 6. 24 V.S.A. 1892(d) is amended to read:

(d) The following municipalities have been authorized to use education tax increment financing for a tax increment financing district:

- (1) the City of Burlington, Downtown;
- (2) the City of Burlington, Waterfront;
- (3) ~~the Town of Milton, North and South~~ Town of Bennington;
- (4) ~~the City of Newport~~ City of Montpelier;
- (5) the City of Winooski;
- (6) ~~the Town of Colchester~~;
- ~~(7) the Town of Hartford~~;
- ~~(8)~~(7) the City of St. Albans;
- ~~(9)~~(8) the City of Barre;
- ~~(10)~~(9) the Town of Milton, Town Core; and
- ~~(11)~~(10) the City of South Burlington.

Sec. 7. 32 V.S.A. § 5404a is amended to read:

§ 5404a. TAX STABILIZATION AGREEMENTS; TAX INCREMENT FINANCING DISTRICTS

(a) A tax agreement or exemption shall affect the education property tax grand list of the municipality in which the property subject to the agreement is located if the agreement or exemption is:

\* \* \*

(b)(1) An agreement affecting the education property tax grand list defined under subsection (a) of this section shall reduce the municipality's education property tax liability under this chapter for the duration of the agreement or exemption without extension or renewal, and for a maximum of 10 years. A municipality's property tax liability under this chapter shall be reduced by any difference between the amount of the education property taxes collected on the subject property and the amount of education property taxes that would have been collected on such property if its fair market value were taxed at the equalized nonhomestead rate for the tax year.

(2) Notwithstanding any other provision of law, if a municipality has entered into an agreement that reduces the municipality's education property tax liability under this chapter and the municipality establishes a tax increment financing district under 24 V.S.A. chapter 53, subchapter 5, the municipality's municipal and education tax increment shall be calculated based on the assessed value of the properties in the municipality's grand list and not on the stabilized value.

\* \* \*

(f) A municipality that establishes a tax increment financing district under 24 V.S.A. chapter 53, subchapter 5 shall collect all property taxes on properties contained within the district and apply not more than 70 percent of the State education property tax increment, and not less than 85 percent of the municipal property tax increment, to repayment of financing of the improvements and related costs for up to 20 years pursuant to 24 V.S.A. § 1894, if approved by the Vermont Economic Progress Council pursuant to this section, subject to the following:

(1) In a municipality with one or more approved districts, the Council shall not approve an additional district until the municipality retires the debt incurred for all of the districts in the municipality.

(2) The Council shall not approve more than ~~six~~ four districts in the State, and not more than two per county, provided:

(A) The districts listed in 24 V.S.A. § 1892(d) shall not be counted against the limits imposed in this subdivision (2).

(B) The Council shall consider complete applications in the order they are submitted, except that if during any calendar month the Council receives applications for more districts than are actually available in a county, the Council shall evaluate each application and shall approve the application that, in the Council's discretion, best meets the economic development needs of the county.

(C) If, while the General Assembly is not in session, the Council receives applications for districts that would otherwise qualify for approval but, if approved, would exceed the ~~six-district~~ four-district limit in the State, the Council shall make one or more presentations to the Emergency Board concerning the applications, and the Emergency Board may, in its discretion, increase the six-district limit.

(D) The Council shall not approve more than one district in Bennington County and one district in Washington County.

\* \* \*

(4) In any year that the assessed valuation of real property in a district decreases in comparison to the original taxable value of the real property in a district, a municipality shall pay the amount equal to the tax calculated based on the original taxable value to the Education Fund.

\* \* \*

(h) To approve utilization of incremental revenues pursuant to subsection (f) of this section:

\* \* \*

(4) Project criteria. Determine that the proposed development within a tax increment financing district will accomplish at least three of the following five criteria:

\* \* \*

(C) The project will affect the remediation and redevelopment of a brownfield located within the district. In the case of a brownfield, the Vermont Economic Progress Council is authorized to adopt rules pursuant to subsection (j) of this section to clarify what is a reasonable improvement, as defined in 24 V.S.A. § 1891, to remediate and stimulate the development or redevelopment in the district. As used in this section, "brownfield" means an area in which a hazardous substance, pollutant, or contaminant is or may be present, and that situation is likely to complicate the expansion, development,

redevelopment, or reuse of the property.

\* \* \*

Sec. 8. TAX INCREMENT FINANCING PROJECT DEVELOPMENT;  
PILOT PROGRAM

(a) Definitions. As used in this section:

(1) “Committed” means pledged and appropriated for the purpose of the current and future payment of tax increment financing and related costs as defined in this section.

(2) “Coordinating agency” means any public or private entity from outside the municipality’s departments or offices and not employing the municipality’s staff, which has been designated by a municipality to administer and coordinate a project during creation, public hearing process, approval process, or administration and operation during the life of the project, including overseeing infrastructure development, real property development and redevelopment, assisting with reporting, and ensuring compliance with statute and rule.

(3) “Financing” means debt incurred, including principal, interest, and any fees or charges directly related to that debt, or other instruments or borrowing used by a municipality to pay for improvements and related costs for the approved project, only if authorized by the legal voters of the municipality in accordance with 24 V.S.A. § 1894. Payment for eligible related costs may also include direct payment by the municipality using the district increment. However, such anticipated payments shall be included in the vote by the legal voters of the municipality in accordance with subsection (f) of this section. If interfund loans within the municipality are used as the method of financing, no interest shall be charged. Bond anticipation notes may be used as a method of financing and may qualify as a municipality’s first incurrence of debt. A municipality that uses a bond anticipation note during the third or sixth year that a municipality may incur debt pursuant to subsection (f) of this section shall incur all permanent financing not more than one year after issuing the bond anticipation note.

(4) “Improvements” means the installation, new construction, or reconstruction of infrastructure that will serve a public purpose, including utilities, transportation, public facilities and amenities, land and property acquisition and demolition, brownfield remediation, and site preparation. “Improvements” also means the funding of debt service interest payments for a period of up to five years, beginning on the date on which the first debt is incurred.

(5) “Legislative body” means the mayor and alderboard, the city council, the selectboard, and the president and trustees of an incorporated village, as appropriate.

(6) “Municipality” means a city, town, or incorporated village.

(7) “Nexus” means the causal relationship that must exist between the improvements and the expected development and redevelopment in the TIF Project Zone or the expected outcomes in the TIF Project Zone.

(8) “Original taxable value” means the total valuation as determined in accordance with 32 V.S.A. chapter 129 of all taxable real property located within the project as of the creation date, provided that no parcel within the project shall be divided or bisected.

(9) “Project” means a public improvement, as defined in subdivision (4) of this subsection, with a total debt ceiling, including related costs, and principal and interest payments, of not more than \$5,000,000.00. A project must:

(A) Clearly require substantial public investment over and above the normal municipal operating or bonded debt expenditures.

(B) Only include public improvements that are integral to the expected private development.

(C) Meet one of the following four criteria:

(i) The development includes new or rehabilitated affordable housing, as defined in 24 V.S.A. § 4303.

(ii) The project will affect the remediation and redevelopment of a brownfield located within the district. As used in this section, “brownfield” means an area in which a hazardous substance, pollutant, or contaminant is or may be present, and that situation is likely to complicate the expansion, development, redevelopment, or reuse of the property.

(iii) The development will include at least one entirely new business or business operation or expansion of an existing business within the project, and this business will provide new, quality, full-time jobs that meet or exceed the prevailing wage for the region as reported by the Department of Labor.

(iv) The development will enhance transportation by creating improved traffic patterns and flow or creating or improving public transportation systems.

(10) “Related costs” means expenses incurred and paid by the municipality, exclusive of the actual cost of constructing and financing

improvements, that are directly related to the creation and implementation of the project, including reimbursement of sums previously advanced by the municipality for those purposes. Related costs may not include direct municipal expenses such as departmental or personnel costs.

(11) “TIF project zone” means an area located within one or more active designations approved by the Vermont Downtown Development Board under 24 V.S.A. chapter 76A, or located within an industrial park as defined in 10 V.S.A. § 212(7), for the parcels in a municipality that have nexus to the project.

(b) Pilot program. Beginning on January 1, 2023 and ending on December 31, 2027, the Vermont Economic Progress Council is authorized to approve a total of not more than four tax increment financing projects, with not more than three projects per year; provided, however, that there shall not be more than one project per municipality.

(c) General authority. Under the pilot program established in subsection (b) of this section, a municipality, upon approval of its legislative body, may apply to the Vermont Economic Progress Council pursuant to the process set forth in subsection (e) of this section to use tax increment financing for a project.

(d) Eligibility.

(1) A municipality is only authorized to apply for a project under this section if:

(A) the project will serve one or more active designations approved by the Vermont Downtown Development Board under 24 V.S.A. chapter 76A, or is located within an industrial park as defined in 10 V.S.A. § 212(7); and

(B) the proposed infrastructure improvements and the projected development or redevelopment are compatible with confirmed municipal and regional development plans and the project has clear local and regional significance for employment, housing, brownfield remediation, or transportation improvements.

(2) A municipality with an approved tax increment financing district as set forth in 24 V.S.A. 1892(d) is not authorized to apply for a project under this section.

(e) Approval process. The Vermont Economic Progress Council shall do all of the following to approve an application submitted pursuant to subsection (c) of this section:

(1)(A) Review each application to determine that the infrastructure improvements proposed to serve the project and the proposed development in

the project would not have occurred as proposed in the application, or would have occurred in a significantly different and less desirable manner than as proposed in the application, but for the proposed utilization of the incremental tax revenues.

(B) The review shall take into account:

(i) the amount of additional time, if any, needed to complete the proposed development for the project and the amount of additional cost that might be incurred if the project were to proceed without education property tax increment financing;

(ii) how the proposed project components and size would differ, if at all, including, if applicable to the project, in the number of units of affordable housing, as defined in 24 V.S.A. § 4303, without education property tax increment financing; and

(iii)(I) the amount of additional revenue expected to be generated as a result of the proposed project;

(II) the percentage of that revenue that shall be paid to the Education Fund;

(III) the percentage that shall be paid to the municipality; and

(IV) the percentage of the revenue paid to the municipality that shall be used to pay financing incurred for development of the project.

(2) Process requirements. Determine that each application meets all of the following requirements:

(A) The municipality held public hearings and established a project.

(B) The municipality has developed a tax increment financing project plan, including a project description; a development financing plan; a pro forma projection of expected costs; a projection of revenues; a statement and demonstration that the project would not proceed without the allocation of a tax increment; evidence that the municipality is actively seeking or has obtained other sources of funding and investment; and a development schedule that includes a list, a cost estimate, and a schedule for public improvements and projected private development to occur as a result of the improvements. The creation of the project shall occur at 12:01 a.m. on April 1 of the calendar year the municipal legislative body votes to approve the tax increment financing project plan.

(C) the municipality has approved or pledged the utilization of incremental municipal tax revenues for the purposes of the project in the proportion set for in subdivision (i)(2) of this section.

(f) Incurring indebtedness.

(1) A municipality approved under the process set forth in subsection (e) of this section may incur indebtedness against revenues to provide funding to pay for improvements and related costs for tax increment financing project development.

(2) Notwithstanding any provision of any municipal charter, the municipality shall only require one authorizing vote to incur debt through one instance of borrowing to finance or otherwise pay for the tax increment financing project improvements and related costs; provided, however, that a municipality may present one or more subsequent authorization votes in the event a vote fails. The municipality shall be authorized to incur indebtedness only after the legal voters of the municipality, by a majority vote of all voters present and voting on the question at a special or annual municipal meeting duly warned for the purpose, authorize the legislative body to pledge the credit of the municipality, borrow, or otherwise secure the debt for the specific purposes so warned. The creation of the project shall occur at 12:01 a.m. on April 1 of the calendar year the municipal legislative body votes to approve the tax increment financing project plan.

(3) Any indebtedness shall be incurred within three years from the date of approval by the Vermont Economic Progress Council, unless the Vermont Economic Progress Council grants an extension of an additional three years pursuant to the substantial change process set forth in the 2015 TIF Rule; provided, however, that an updated plan is submitted prior to the three-year termination date of the project.

(g) Original taxable value. As of the date the project is approved by the legislative body of the municipality, the lister or assessor for the municipality shall certify the original taxable value and shall certify to the legislative body in each year thereafter during the life of the project the amount by which the total valuation as determined in accordance with 32 V.S.A. chapter 129 of all taxable real property located within the project has increased or decreased relative to the original taxable value.

(h) Tax increments.

(1) In each year following the approval of the project, the lister or assessor shall include not more than the original taxable value of the real property in the assessed valuation upon which the treasurer computes the rates of all taxes levied by the municipality and every other taxing district in which the project is situated, but the treasurer shall extend all rates so determined against the entire assessed valuation of real property for that year. In each year for which the assessed valuation exceeds the original taxable value, the

municipality shall hold apart, rather than remit to the taxing districts, that proportion of all taxes paid that year on the real property within the project that the excess valuation bears to the total assessed valuation. The amount held apart each year is the “tax increment” for that year. Not more than the percentages established pursuant to subsection (i) of this section of the municipal and State education tax increments received with respect to the project and committed for the payment for financing for improvements and related costs shall be segregated by the municipality in a special tax increment financing project account and in its official books and records until all capital indebtedness of the project has been fully paid. The final payment shall be reported to the treasurer, who shall thereafter include the entire assessed valuation of the project in the assessed valuations upon which municipal and other tax rates are computed and extended, and thereafter no taxes from the project shall be deposited in the project’s tax increment financing account.

(2) In each year, a municipality shall remit not less than the aggregate original taxable value to the Education Fund.

(3) Notwithstanding any charter provision or other provision, all property taxes assessed within a project shall be subject to the provision of subdivision (1) of this subsection. Special assessments levied under 24 V.S.A. chapter 76A or 87 or under a municipal charter shall not be considered property taxes for the purpose of this section if the proceeds are used exclusively for operating expenses related to properties within the project and not for improvements within the district as defined in subdivision (a)(3) of this section.

(4) Amounts held apart under subdivision (1) of this subsection shall only be used for financing and related costs as defined in subsection (a) of this section.

(i) Use of tax increment.

(1) Education property tax increment. For only debt incurred within the period permitted under subdivision (e)(3) of this section after approval of the project, up to 70 percent of the education tax increment may be retained for up to 20 years, beginning with the education tax increment generated the year in which the first debt incurred for the project financed in whole or in part with incremental education property tax revenue. Upon incurring the first debt, a municipality shall notify the Department of Taxes and the Vermont Economic Progress Council of the beginning of the 20-year retention period of the education tax increment.

(2) Use of the municipal property tax increment. For only debt incurred within the period permitted under subdivision (e)(3) of this section after

approval of the project, not less than 85 percent of the municipal tax increment shall be retained to service the debt, beginning the first year in which debt is incurred, pursuant to subdivision (1) of this subsection.

(3) The Vermont Economic Progress Council shall determine there is a nexus between the improvement and the expected development and redevelopment for the project and expected outcomes in the TIF Project Zone.

(j) Distribution. Of the municipal and education tax increments received in any tax year that exceed the amounts committed for the payment of the financing for improvements and related costs for the project, equal portions of each increment may be retained for the following purposes: prepayment of principal and interest on the financing, placed in a special account required by subdivision (g)(1) of this section and used for future financing payments or used for defeasance of the financing. Any remaining portion of the excess municipal tax increment shall be distributed to the city, town, or village budget, in the proportion that each budget bears to the combined total of the budgets, unless otherwise negotiated by the city, town, or village, and any remaining portion of the excess education tax increment shall be distributed to the Education Fund.

(k) Information reporting. Every municipality with an approved project pursuant to this section shall:

(1) Develop a system, segregated for the project, to identify, collect, and maintain all data and information necessary to fulfill the reporting requirements of this section, including performance measures.

(2) Provide, as required by events, notification to the Vermont Economic Progress Council and the Department of Taxes regarding any tax increment financing development project debt obligations, public votes, or votes by the municipal legislative body immediately following such obligation or vote on a form prescribed by the Council, including copies of public notices, agendas, minutes, vote tally, and a copy of the information provided to the public in accordance with 24 V.S.A. § 1894(i).

(3) Annually:

(A) Ensure that the tax increment financing project account required by subdivision (h)(1) is subject to the annual audit prescribed in subsection (m) of this section. Procedures must include verification of the original taxable value and annual and total municipal and education tax increments generated, expenditures for debt and related costs, and current balance.

(B) On or before February 15 of each year, on a form prescribed by the Council, submit an annual report to the Vermont Economic Progress Council and the Department of Taxes, including the information required by

subdivision (2) of this section if not already submitted during the year, all information required by subdivision (A) of this subdivision (3), and the information required by 32 V.S.A. § 5404a(i), including performance measures and any other information required by the Council or the Department of Taxes.

(l) Annual report. The Vermont Economic Progress Council and the Department of Taxes shall submit an annual report to the Senate Committees on Economic Development, Housing and General Affairs and on Finance and the House Committees on Commerce and Economic Development and on Ways and Means on or before ~~April~~ January 1 each year. The report shall include the date of approval, a description of the project, the original taxable value of the property subject to the project development, the scope and value of projected and actual improvements and developments in the TIF Project Zone, projected and actual incremental revenue amounts, and division of the increment revenue between project debt, the Education Fund, the special account required by subdivision (h)(1) and the municipal General Fund, projected and actual financing, and a set of performance measures developed by the Vermont Economic Progress Council, which may include outcomes related to the criteria for which the municipality applied and the amount of infrastructure work performed by Vermont firms.

(m) Audit; financial reports. Annually, until the year following the end of the period for retention of education tax increment, a municipality with an approved project under this section shall:

(1) On or before ~~January~~ October 1, submit an annual report to the Vermont Economic Progress Council, which shall provide sufficient information for the Vermont Economic Progress Council to prepare its report required by subsection (i) of this section.

(2) On or before April 1, ensure that the project is subject to the annual audit prescribed in 24 V.S.A. § 1681 or 1690 and submit a copy to the Vermont Economic Progress Council. In the event that the audit is only subject to the audit under 24 V.S.A. § 1681, the Vermont Economic Progress Council shall ensure a process is in place to subject the project to an independent audit. Procedures for the audit must include verification of the original taxable value and annual and total municipal and education tax increments generated, expenditures for debt and related costs, and current balance.

(n) Authority to issue decisions.

(1) The Secretary of Commerce and Community Development, after reasonable notice to a municipality and an opportunity for a hearing, is authorized to issue decisions to a municipality on questions and inquiries

concerning the administration of projects, statutes, rules, noncompliance with this section, and any instances of noncompliance identified in audit reports conducted pursuant to subsection (m) of this section.

(2) The Vermont Economic Progress Council shall prepare recommendations for the Secretary prior to the issuance of a decision. As appropriate, the Council may prepare such recommendations in consultation with the Commissioner of Taxes, the Attorney General, and the State Treasurer. In preparing recommendations, the Council shall provide a municipality with a reasonable opportunity to submit written information in support of its position. The Secretary shall review the recommendations of the Council and issue a final written decision on each matter within 60 days following the receipt of the recommendations. The Secretary may permit an appeal to be taken by any party to a Superior Court for determination of questions of law in the same manner as the Supreme Court may by rule provide for appeals before final judgment from a Superior Court before issuing a final decision.

(o) The Vermont Economic Progress Council is authorized to adopt policies that are consistent with the 2015 TIF Rule, as may be modified by subsequent rule, to implement this section.

Sec. 9. 24 V.S.A. § 1891 is amended to read:

§ 1891. DEFINITIONS

~~When~~ As used in this subchapter:

\* \* \*

(4) “Improvements” means the installation, new construction, or reconstruction of infrastructure that will serve a public purpose and fulfill the purpose of tax increment financing districts as stated in section 1893 of this subchapter, including utilities, transportation, public facilities and amenities, land and property acquisition and demolition, and site preparation. “Improvements” also means the funding of debt service interest payments for a period of up to five years, beginning on the date in which the first debt is incurred.

\* \* \*

(7) “Financing” means debt incurred, including principal, interest, and any fees or charges directly related to that debt, or other instruments or borrowing used by a municipality to pay for improvements in a tax increment financing district, only if authorized by the legal voters of the municipality in accordance with section 1894 of this subchapter. Payment for the cost of district improvements and related costs may also include direct payment by the

municipality using the district increment. However, such payment is also subject to a vote by the legal voters of the municipality in accordance with section 1894 of this subchapter and, if not included in the tax increment financing plan approved under subsection 1894(d) of this subchapter, is also considered a substantial change and subject to the review process provided by subdivision 1901(2)(B) of this subchapter. If interfund loans within the municipality are used as the method of financing, no interest shall be charged. Bond anticipation notes may be used as a method of financing and may qualify as a district's first incurrence of debt. A municipality that uses a bond anticipation note during the fifth year or tenth year that a district may incur debt pursuant to section 1894 of this title shall incur all permanent financing not more than one year after issuing the bond anticipation note.

\* \* \*

Sec. 10. 24 V.S.A. § 1895 is amended to read:

§ 1895. ORIGINAL TAXABLE VALUE

(a) Certification. As of the date the district is created, the lister or assessor for the municipality shall certify the original taxable value and shall certify to the legislative body in each year thereafter during the life of the district the amount by which the total valuation as determined in accordance with 32 V.S.A. chapter 129 of all taxable real property located within the tax increment financing district has increased or decreased relative to the original taxable value.

(b) Boundary of the district. Any parcel within a district shall be located wholly within the boundaries of a district. No adjustments to the boundary of a district are permitted after the approval of a tax increment financing district plan as described in section 1894 of this title.

Sec. 11. 32 V.S.A. § 5404a(h) is amended to read:

(h) To approve utilization of incremental revenues pursuant to subsection (f) of this section, the Vermont Economic Progress Council shall do all the following:

\* \* \*

(3) Location criteria. Determine that each application meets at least ~~two~~ one of the following three criteria:

\* \* \*

\* \* \* Vermont Film and Media Industry \* \* \*

Sec. 12. VERMONT FILM AND MEDIA INDUSTRY TASK FORCE;  
STUDY; REPORT

(a) There is created the Vermont Film and Media Industry Task Force composed of the following members:

(1) one current member of the House of Representatives, who shall be appointed by the Speaker of the House;

(2) one current member of the Senate, who shall be appointed by the Senate Committee on Committees;

(3) the Secretary of Commerce and Community Development or designee; and

(4) a member, appointed by the Vermont Arts Council, who shall serve as chair and shall convene meetings of the Task Force.

(b)(1) The Task Force shall have legal assistance from the Office of Legislative Counsel and fiscal assistance from the Joint Fiscal Office.

(2) Members of the Task Force shall receive per diem compensation and reimbursement for expenses as provided in 32 V.S.A. § 1010 for not more than four meetings.

(c) On or before January 15, 2023, the Task Force shall consult relevant stakeholders in the film and media industry and shall study and submit a report to the House Committee on Commerce and Economic Development and to the Senate Committee on Economic Development, Housing and General Affairs that reviews the history of State efforts to cultivate the film and media industry in Vermont and what financial and other support the State may provide in the future to revitalize the industry following the COVID-19 pandemic and to invigorate the industry in the future, including:

(1) successes and failures of past State involvement;

(2) opportunities to invigorate the industry, attract filmmakers and media entrepreneurs, and promote Vermont as an attractive destination for tourism and for business development;

(3) how Vermont can differentiate and compete with other jurisdictions that also seek to cultivate a more expansive film and media industry;

(4) a survey of which entities, in State government and in the private sector, provide outreach and support to businesses in the industry;

(5) opportunities for employing federal COVID-19 relief funds to revive the industry; and

(6) a cost-benefit analysis of establishing new State financial, administrative, or other supports for the industry.

\* \* \* Minimum Wage \* \* \*

### Sec. 13. FINDINGS

The General Assembly finds:

(1) The COVID-19 pandemic has caused the labor market to tighten, which has resulted in employers offering higher starting wages to workers in many occupations.

(2) Supply chain disruptions and labor shortages related to the COVID-19 pandemic have caused significant inflation and increases in the cost of living for Vermonters.

(3) Increasing Vermont's minimum wage will better align the statutory minimum wage with the actual conditions in Vermont's labor market and will help lower-wage workers to better afford the cost of essential goods and services.

Sec. 13a. 21 V.S.A. § 384 is amended to read:

#### § 384. EMPLOYMENT; WAGES

(a)(1) An employer shall not employ any employee at a rate of less than \$10.96. ~~Beginning on January 1, 2021, an employer shall not employ any employee at a rate of less than \$11.75. Beginning on January 1, 2022, an employer shall not employ any employee at a rate of less than \$12.55. Beginning on January 1, 2023, an employer shall not employ any employee at a rate of less than \$13.75. Beginning on January 1, 2024, an employer shall not employ any employee at a rate of less than \$15.00,~~ and on each subsequent January 1, the minimum wage rate shall be increased by five percent or the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in no event shall the minimum wage be decreased. The minimum wage shall be rounded off to the nearest \$0.01.

\* \* \*

\* \* \* COVID-19-Related Paid Leave Grant Program \* \* \*

### Sec. 14. FINDINGS AND INTENT

(a) The General Assembly finds that:

(1) COVID-19 has caused increased employee absences due to illness, quarantine, and school and daycare closures.

(2) Many employees do not have sufficient paid time off to cover all of their COVID-19-related absences from work.

(3) Some employers have provided their employees with additional paid time off for COVID-19-related purposes.

(4) The surge in COVID-19 cases caused by the Omicron variant of the virus has made it financially difficult or impossible for employers to provide additional paid time off to their employees for COVID-19-related purposes.

(5) Providing grants to employers to reimburse a portion of the cost of providing paid time off to employees for COVID-19-related purposes will:

(A) help to mitigate some negative economic impacts of the COVID-19 pandemic on employers;

(B) improve employee retention;

(C) prevent the spread of COVID-19 in the workplace; and

(D) provide crucial income to employees and their families.

(6) The Front-Line Employees Hazard Pay Grant Program established pursuant to 2020 Acts and Resolves No. 136, Sec. 6 and expanded pursuant to 2020 Acts and Resolves No. 168, Sec. 1 successfully directed millions of dollars in hazard pay to front-line workers during the first year of the COVID-19 pandemic. By utilizing grants to employers, who in turn provided the hazard pay to their employees, the Program enabled employers to retain employees and reward them for their hard work during the uncertainty of the early months of the COVID-19 pandemic.

(b) It is the intent of the General Assembly that the COVID-19-Related Paid Leave Grant Program created pursuant to section 14a of this act shall be modeled on the Front-Line Employees Hazard Pay Grant Program and shall assist employers in providing paid leave to their employees for COVID-19 related absences.

#### Sec. 14a. COVID-19-RELATED PAID LEAVE GRANT PROGRAM

(a)(1) There is established in the Agency of Administration the COVID-19-Related Paid Leave Grant Program to administer and award grants to employers to reimburse the cost of providing COVID-19-related paid leave provided to employees.

(2) The sum of \$16,500,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the

Agency of Administration in fiscal year 2023 for the provision of grants to reimburse employers for the cost of providing COVID-19-related sick leave. Not more than five percent of the amount appropriated pursuant to this subdivision (2) may be used for expenses related to program administration and outreach.

(b) As used in this section:

(1) “Agency” means the Agency of Administration.

(2) “COVID-19-related reason” means the employee is:

(A) self-isolating because the employee has been diagnosed with COVID-19 or tested positive for COVID-19;

(B) self-isolating pursuant to the recommendation of a health care provider or a State or federal public health official because the employee has been exposed to COVID-19 or the employee is experiencing symptoms of COVID-19;

(C) caring for a parent, grandparent, spouse, child, sibling, parent-in-law, grandchild, or foster child, because:

(i) the school or place of care where that individual is normally located during the employee’s workday is closed due to COVID-19;

(ii) that individual has been requested not to attend the school or the place of care where that individual is normally located during the employee’s workday due to COVID-19;

(iii) that individual has been diagnosed with or tested positive for COVID-19; or

(iv) that individual is self-isolating pursuant to the recommendation of a health care provider or a State or federal public health official because that individual has been exposed to or is experiencing symptoms of COVID-19;

(D) attending an appointment for the employee or the employee’s parent, grandparent, spouse, child, sibling, parent-in-law, grandchild, or foster child to receive a vaccine or a vaccine booster for protection against COVID-19; or

(E) experiencing symptoms, or caring for a parent, grandparent, spouse, child, sibling, parent-in-law, grandchild, or foster child who is experiencing symptoms, related to a vaccine or a vaccine booster for protection against COVID-19.

(3) “Employee” means an individual who, in consideration of direct or indirect gain or profit, is employed by an employer to perform services in Vermont.

(4) “Employer” means any person that has one or more employees performing services for it in Vermont. “Employer” does not include the State or the United States.

(5) “Program” means the COVID-19-Related Paid Leave Grant Program established pursuant to this section.

(6) “Program period” means the period beginning on January 1, 2022 and ending on December 31, 2022.

(7) “Secretary” means the Secretary of Administration.

(c)(1) An employer may apply to the Secretary for one or more grants to reimburse the employer for the cost of paid leave provided to its employees for COVID-19-related reasons during the program period.

(2) An employer’s grant amount may include reimbursement for retroactively provided COVID-19-related paid leave to employees who took unpaid leave for a COVID-19-related reason during the program period because the employee did not have sufficient accrued paid leave available at the time that the employee took the leave.

(3) Employers may submit applications for grants not more than once each calendar month for paid leave provided during the program period between the beginning of the program period or the employer’s previous application, whichever is later, and the date of the employer’s current application.

(4) For the sole purpose of administering grants related to paid leave provided to independent direct support providers for COVID-19-related reasons, ARIS Solutions, as the fiscal agent for the employers of the independent direct support providers, shall have the authority to apply for a grant in the same manner as any employer.

(d)(1) The Secretary shall:

(A) adopt procedures for implementing the Program, which shall include a simple grant application process, a process to allow employers to certify the amount of paid leave provided for COVID-19-related reasons, and a process to allow employers to report on their use of the grant funds awarded pursuant to this section;

(B) promote awareness of the Program to employers;

(C) award grants to employers on a first-come, first-served basis, subject to available funding; and

(D) develop and implement an audit strategy to assess grant utilization, the performance of the Program, and compliance with Program requirements.

(2)(A) The Secretary may delegate administration of one or more aspects of the Program to other agencies and departments of the State.

(B) The Secretary may enter into agreements, memoranda of understanding, or contracts with private entities as necessary to implement or administer the Program and, notwithstanding any provision of law to the contrary, shall not be required to competitively bid any contracts entered into pursuant to this subdivision (2)(B). For the purposes of the Program, the ongoing public health risk posed by COVID-19 shall be deemed to be an emergency situation that justifies the execution of sole source contracts pursuant to Bulletin 3.5, the State's Procurement and Contracting Procedures.

(e)(1) Employers may apply for grants to either reimburse a portion of the cost of COVID-19-related paid leave provided to employees or to provide funds to be used to retroactively provide paid leave to employees who took unpaid leave for COVID-19-related reasons.

(A) For reimbursement of COVID-19-related paid leave that was already provided, the employer may, subject to the limitations of subdivision (2) of this subsection (e), apply for a grant in an amount equal the number of hours of COVID-19-related paid leave provided to each employee multiplied by the greater of either the 67 percent of the minimum wage established pursuant to 21 V.S.A. § 384 or 67 percent of the employee's regular hourly wage.

(B) For COVID-19-related paid leave that will be provided retroactively to employees who took unpaid leave for COVID-19-related reasons, the employer may, subject to the limitations of subdivision (2) of this subsection (e), apply for a grant in an amount equal the number of hours of COVID-19-related paid leave to be provided to each employee multiplied by the greater of either the 67 percent of the minimum wage established pursuant to 21 V.S.A. § 384 or 67 percent of the employee's regular hourly wage.

(2)(A) An employer may only apply for a grant in relation to COVID-19-related leave that was taken by an employee during the program period.

(B) The maximum number of hours of COVID-19-related leave for each employee that an employer may seek grant funding for through the Program shall equal the lesser of 80 hours or two times the employee's average weekly hours worked for the employer during the six months

preceding the date of the first application relating to that employee.

(C) The maximum amount that an employer shall be eligible to receive for COVID-19-related paid leave for each employee shall be not more than \$27.50 per hour of leave, with an aggregate maximum of \$2,200.00 per employee during the program period.

(f) As a condition of being eligible to receive a grant through the Program, each employer shall be required to certify:

(1) that the employer is not seeking funds in relation to any amounts of paid leave that were deducted from the employee's accrued paid leave balance at the time the COVID-19-related leave was taken unless those amounts have been restored to the employee's accrued paid leave balance;

(2) grant funds shall only be used in relation to the payment of an employee's wages for the period when the employee was absent from work for a COVID-19-related reason; and

(3) employees receiving paid leave funded by a grant shall not be required to pay an administrative fee or other charge in relation to the employer requesting the grant.

(g) Each employer that receives a grant shall, not later than March 1, 2023, report to the Agency on a form provided by the Secretary the amount of grant funds used to provide paid leave to employees and the amount of any remaining grant funds that were not spent. All unspent grant funds shall be returned to the Agency pursuant to a procedure adopted by the Secretary.

(h) Any personally identifiable information that is collected by the Program, any entity of State government performing a function of the Program, or any entity that the Secretary contracts with to perform a function of the Program shall be kept confidential and shall be exempt from inspection and copying under the Public Records Act.

\* \* \* Study of Paid Family and Medical Leave Insurance \* \* \*

#### Sec. 14b. FINDINGS

The General Assembly finds that:

(1) The COVID-19 pandemic highlighted the challenges that a lack of paid leave poses to employees who must be absent from work for an extended period of time due to illness or caregiving needs.

(2) Paid family and medical leave insurance would provide essential income replacement for employees who must be absent from work for an extended period of time due to illness, caregiving needs, or the birth or adoption of a child.

(3) Paid family and medical leave insurance would mitigate the impact of absences on employers by providing an affordable means of providing paid leave to employees while improving employee retention.

Sec. 14c. PAID FAMILY AND MEDICAL LEAVE; TASK FORCE;  
REPORT

(a) Creation. There is created the Paid Family and Medical Leave Insurance Task Force to reexamine the work and report of the Study Committee on Employee Funded Paid Leave created pursuant to 2013 Acts and Resolves No. 31, Sec. 13 and to investigate proven and tested paid family and medical leave insurance programs in the United States in order to develop an understanding of the best practices and implementation possibilities for the potential enactment of an equitable and affordable paid family and medical leave insurance program in Vermont, which may include both universal and voluntary models.

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

(1) three current members of the House of Representatives, not all from the same political party, who shall be appointed by the Speaker of the House; and

(2) three current members of the Senate, not all from the same political party, who shall be appointed by the Committee on Committees.

(c) Powers and duties.

(1) The Task Force shall examine the establishment of a paid family and medical leave program in Vermont, including the following:

(A) the potential for creating a paid family and medical leave insurance program in Vermont based on the experience of and best practices from currently operating paid family and medical leave insurance solutions in the United States that provide leave for the following purposes:

(i) bonding with a newborn or adopted child;

(ii) caring for an ill or injured family member;

(iii) the employee's own illness or injury; and

(iv) exigencies related to a family member serving in the U.S. Armed Forces;

(B) based on the solutions examined pursuant to subdivision (1) of this subsection, develop and examine models and projections for the startup and implementation of similar solutions in Vermont, including:

- (i) potential start-up and administrative costs;
- (ii) administrative requirements and considerations;
- (iii) advantages relative to the other models;
- (iv) examples from other jurisdictions and the experience of the programs in those jurisdictions;
- (v) benefits and drawbacks; and
- (vi) any other considerations that the Task Force determines are relevant;

(C) opportunities to utilize tested and proven administrative models or public-private partnerships to reduce administrative costs of a paid family and medical leave insurance program or to enable a paid family and medical leave insurance benefits to be established more quickly; and

(D) considerations related to the potential enactment of a federal paid family and medical leave insurance program, including any measures that may be necessary to ensure that a potential State program could adapt to and complement the coverage provided by any federal program.

(2) The Task Force shall consult with affected stakeholders and interested parties, including stakeholders and interested parties representing:

- (A) the labor community;
- (B) Vermont businesses;
- (C) groups advocating for gender equity;
- (D) Vermonters who are Black, Indigenous, or a Person of Color; and
- (E) children and families.

(d) Assistance.

(1) The Task Force shall have the administrative assistance of the Office of Legislative Operations, the technical assistance of the Joint Fiscal Office, and the legal assistance of the Office of Legislative Counsel.

(2) The Task Force may contract with one or more entities or individuals for purposes of modeling and actuarial projections.

(e) Report. On or before January 15, 2023, the Task Force shall submit a written report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs with its findings and any recommendations for legislative action. The Task Force's report may take the form of draft legislation.

(f) Meetings.

(1) The Office of Legislative Operations shall call the first meeting of the Committee to occur on or before September 15, 2022.

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

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

(4) The Task Force shall cease to exist on January 30, 2023.

(g) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, a legislative member of the Task Force shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than six meetings.

(h) Appropriation. The sum of \$200,000.00 is appropriated to the General Assembly from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds in fiscal year 2023 for per diem compensation and reimbursement of expenses for members of the Task Force and for expenses related to modeling and actuarial projections.

\* \* \* Unemployment Insurance Benefits \* \* \*

Sec. 14d. FINDINGS

The General Assembly finds that:

(1) The COVID-19 pandemic caused significant disruption to Vermont's economy and resulted in unprecedented levels of unemployment.

(2) Unemployment insurance benefits provide only partial wage replacement, making it hard for unemployed individuals to afford basic necessities and living expenses.

(3) Significant inflation caused by supply chain, economic, and workforce disruptions related to the COVID-19 pandemic are making it increasingly difficult for unemployed individuals to afford basic necessities and living expenses.

(4) Temporarily increasing the weekly unemployment insurance benefit amount for unemployed individuals will help to mitigate the impact of the COVID-19 pandemic on the unemployed individuals' ability to afford basic necessities and living expenses.

(5) The General Assembly previously enacted a \$25.00 supplemental increase to the weekly unemployment insurance benefit amount in 2021 Acts and Resolves No. 51, Sec. 11. However, the terms of that supplemental increase did not conform to federal requirements, and it never took effect.

Enacting a supplemental \$25.00 weekly unemployment insurance benefit that will later be replaced by a temporary \$25.00 increase in the weekly unemployment insurance benefit amount will fulfill the commitment made by the General Assembly in 2021 Acts and Resolves No. 51, Sec. 11.

Sec. 14e. 2021 Acts and Resolves No. 51, Sec. 17(a)(4) is amended to read:

(4) Sec. 12 (repeal of supplemental weekly benefit) shall take effect ~~upon the payment of a cumulative total of \$100,000,000.00 in supplemental benefits pursuant to 21 V.S.A. § 1338(e)(2) on October 7, 2021~~ and shall apply prospectively to all benefit payments in the next week and each subsequent week.

Sec. 14f. 21 V.S.A. § 1341 is added to read:

§ 1341. UNEMPLOYMENT INSURANCE COVID-19 SUPPLEMENTAL BENEFIT

(a) Beginning on July 1, 2022, in addition to the amount of regular unemployment insurance benefits provided pursuant to section 1338 of this title, each individual who qualifies for benefits pursuant to the provisions of this chapter shall receive a separate supplemental benefit of \$25.00 each week.

(b) Benefits provided pursuant to this section shall be paid from the Unemployment Insurance COVID-19 Supplemental Benefit Special Fund established pursuant to section 1342 of this chapter.

Sec. 14g. 21 V.S.A. § 1342 is added to read:

§ 1342. UNEMPLOYMENT INSURANCE COVID-19 SUPPLEMENTAL BENEFIT SPECIAL FUND

There is established the Unemployment Insurance COVID-19 Supplemental Benefit Special Fund, which shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5. The Fund shall consist of any amounts appropriated to the Fund. The Commissioner may seek and accept grants from any source, public or private, to be dedicated for deposit into the Special Fund. The Commissioner shall use the Fund to provide the Supplemental Benefit established pursuant to section 1341 of this chapter and to pay all necessary costs associated with the administration of the Supplemental Benefit and of the Fund.

Sec. 14h. APPROPRIATION

\$8,000,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Unemployment Insurance COVID-19 Supplemental Benefit Special Fund established pursuant to 21 V.S.A. § 1342. Not more than five percent of the amount appropriated

may be used for administrative costs related to the implementation and payment of the Unemployment Insurance COVID-19 Supplemental Benefit established pursuant to 21 V.S.A. § 1341.

Sec. 14i. REPEALS

21 V.S.A. § 1341 (Unemployment Insurance COVID-19 Supplemental Benefit) and 21 V.S.A. § 1342 (Unemployment Insurance COVID-19 Supplemental Benefit Special Fund) are repealed on July 1, 2024.

Sec. 14j. 21 V.S.A. § 1338 is amended to read:

§ 1338. WEEKLY BENEFITS

\* \* \*

(e) An individual's weekly benefit amount shall be determined by dividing the individual's two high quarter total subject wages required under subdivision (d)(1) of this section by 45 and adding \$25.00 to the resulting quotient, provided that the weekly benefit amount so determined shall not exceed the maximum weekly benefit amount computed pursuant to subsection (f) of this section.

(f)(1) The maximum weekly benefit amount shall be annually adjusted on the first day of the first calendar week in July to an amount equal to the sum of \$25.00 plus 57 percent of the State annual average weekly wage as determined by subsection (g) of this section.

\* \* \*

Sec. 14k. MODIFICATION OF UNEMPLOYMENT INSURANCE  
MAINFRAME CODE; ANNUAL REPORT; INDEPENDENT  
VERIFICATION

(a)(1) The Commissioner of Labor shall develop and implement changes to the unemployment insurance mainframe software or develop a modernized information technology system necessary to implement on January 1, 2025 the changes to the unemployment insurance weekly benefit amount enacted pursuant to Sec. 14j of this act. The changes to the mainframe or the modernized information technology system, as applicable, shall be developed and implemented in a manner that minimizes risk to the operation of the mainframe and the functions of the unemployment insurance program.

(2) The Commissioner of Labor and the Secretary of Digital Services shall, to the greatest extent possible, plan and carry out the development and implementation of a modernized information technology system for the unemployment insurance program so that the modernized system is available in time to implement on January 1, 2025 the changes to the unemployment

insurance weekly benefit amount enacted pursuant to Sec. 14j of this act.

(b) The Commissioner of Labor shall, on or before January 15, 2023 and January 15, 2024, submit a written report to the House Committee on Commerce and Economic Development, the Senate Committee on Economic Development, Housing and General Affairs, and the Legislative Information Technology Consultant retained by the Joint Fiscal Office detailing the actions taken and progress made in carrying out the requirements of subsection (a) of this section, the anticipated timeline for being able to implement the changes to the unemployment insurance weekly benefit amount enacted pursuant to Sec. 14j of this act, and potential implementation risks identified during the development process.

(c) The Legislative Information Technology Consultant shall, on or before February 15, 2023 and February 15, 2024, submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a review of the report submitted pursuant to subsection (b) of this section. The review shall include an assessment of whether the Department of Labor will be able to implement the changes to the unemployment insurance weekly benefit amount enacted pursuant to Sec. 14j of this act by January 1, 2025 and shall identify any potential risks or concerns related to implementation that are not addressed in the Commissioner's report.

Sec. 14l. 21 V.S.A. § 1338 is amended to read:

§ 1338. WEEKLY BENEFITS

\* \* \*

(e) An individual's weekly benefit amount shall be determined by dividing the individual's two high quarter total subject wages required under subdivision (d)(1) of this section by 45 ~~and adding \$25.00 to the resulting quotient~~, provided that the weekly benefit amount so determined shall not exceed the maximum weekly benefit amount computed pursuant to subsection (f) of this section.

(f)(1) The maximum weekly benefit amount shall be annually adjusted on the first day of the first calendar week in July to an amount equal to ~~the sum of~~ \$25.00 ~~plus~~ 57 percent of the State annual average weekly wage as determined by subsection (g) of this section.

\* \* \*

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\* \* \* Appropriations \* \* \*

Sec. 15. APPROPRIATIONS

(a) Recruitment and marketing. In fiscal year 2023, the following amounts are appropriated from the sources, to the recipients, and for the purposes specified:

(1) Worker recruitment. The amount of \$6,000,000.00 is appropriated from the General Fund to the Agency of Commerce and Community Development for worker recruitment activities as follows:

(A) \$1,000,000.00 to the Agency's base budget for the relocated and remote worker program; and

(B) \$5,000,000.00 in one-time funding for the program in fiscal year 2023.

(2) Tourism and marketing; relocation. In fiscal year 2023, the following amounts are appropriated from the General Fund to the Department of Tourism and Marketing, which the Department shall expend over two years:

(A) \$1,200,000.00 to support a regional relocation network; and

(B) \$3,000,000.00 for marketing and promotion.

(b) Capital Investment Program. In fiscal year 2023:

(1) The amount of \$40,000,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Agency of Commerce and Community Development for the Capital Investment Program.

(2) The Agency of Commerce and Community Development shall reallocate any remaining funds appropriated pursuant to it by 2021 Acts and Resolves No. 74, Sec. G.300(a)(13) for Economic Recovery grants to the Capital Investment Program.

(c) VEDA Short-Term Forgivable Loan Program. In fiscal year 2022, the amount of \$20,000,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Vermont Economic Development Authority for the VEDA Forgivable Loan Program.

(d) Brownfields. In fiscal year 2023, the amount of \$6,000,000.00 is appropriated from the General Fund to the Agency of Commerce and Community Development to be used in the same manner as the Brownfields Revitalization Fund established by 10 V.S.A. § 6654, except notwithstanding the grant limitations in 10 V.S.A. § 6654, projects supported by this appropriation shall not be limited to \$200,000.00 grants per parcel.

(e) Downtown development. Of the amounts appropriated to the Agency of Commerce and Community Development in Fiscal Year 2023 for the Better Places Program, Think Vermont initiative, or other programs that promote downtown development, the Agency may allocate not more than \$485,000 to provide funding to one or more nonprofit organizations that sponsor a downtown designation to:

(1) expand the ability of the downtown organizations to educate, guide, and partner with businesses, non-profit, and community organizations to strengthen downtown models, and leverage state funding to incentivize broader participation;

(2) support marketing, content development, and increased digital reach for downtown organizations, individually and collectively; and

(3) support communication within the coordinated effort of these state-mandated organizations to leverage successes.

\* \* \* Sports Betting Study Committee \* \* \*

#### Sec. 16. SPORTS BETTING; FINDINGS

The General Assembly finds that:

(1) An estimated 28 percent of adults in the United States bet on sports and 46 percent of adults say that they have an interest in betting on sports.

(2) Based on current participation rates and expected growth, it is estimated that Vermont could generate from \$640,000.00 to \$4.8 million in the first year of sports betting revenue taxes and \$1.3 million to \$10.3 million in the second year, depending on the regulatory model chosen by the General Assembly.

(3) As of March 2022, 31 states and the District of Columbia have some form of active legal sports betting operations while an additional three states have enacted laws or adopted ballot measures to permit legal sports betting.

(4) Legislation has also been introduced in at least 14 of the states without a legal sports betting market, including Vermont, to legalize, regulate, and tax sports betting.

(5) Given the widespread participation in sports betting, the General Assembly finds that careful examination of whether and how best to regulate sports betting in Vermont and protect Vermonters involved in sports betting is necessary.

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Sec. 17. SPORTS BETTING; STUDY COMMITTEE; REPORT

(a) Creation. There is created the Sports Betting Study Committee to examine whether and how to regulate sports betting in Vermont.

(b) Membership. The Study Committee shall be composed of the following members:

(1) the Attorney General or designee;

(2) the Commissioner of Liquor and Lottery or designee;

(3) the Commissioner of Taxes or designee;

(4) the Secretary of State or designee;

(5) the Secretary of Commerce and Community Development or designee;

(6) two current members of the Senate, who shall be appointed by the Committee on Committees; and

(7) two current members of the House, who shall be appointed by the Speaker of the House.

(c) Powers and duties. The Study Committee shall examine the sports betting study conducted by the Office of Legislative Counsel and Joint Fiscal Office and shall study various models for legalizing, taxing, and regulating sports betting, including the following issues:

(1) studies carried out by other states concerning the legalization, taxation, and regulation of sports betting;

(2) laws enacted by other states to legalize, tax, and regulate sports betting;

(3) potential models for legalizing and regulating sports betting in Vermont, including any advantages or drawbacks to each model;

(4) potential models for legalizing and regulating online sports betting, including any advantages or drawbacks to each model;

(5) potential tax and fee structures for sports betting activities;

(6) potential restrictions or limitations on the types of sports that may be bet on, including whether and to what extent restrictions should be imposed with respect to the participant age, amateur status, and location of sporting events that may be bet on; and

(7) potential impacts on various socioeconomic and demographic groups and on problem gambling and the resources necessary to address the identified impacts.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Office of Legislative Council and the Joint Fiscal Office.

(e) Report. On or before December 15, 2022, the Study Committee shall submit a written report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs with its findings, recommendations for legislative action, and a draft of proposed legislation.

(f) Meetings.

(1) The Attorney General or designee shall call the first meeting of the Committee to occur on or before September 1, 2022.

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

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

(4) The Committee shall cease to exist on December 30, 2022.

(g) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, legislative members of the Committee serving in their capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than four meetings. These payments shall be made from monies appropriated to the General Assembly.

\* \* \* Effective Dates \* \* \*

#### Sec. 18. EFFECTIVE DATES

(a) Sec. 4 (Capital Investment Grant Program), Sec. 5 (VEDA Short-Term Forgivable Loan Program), and Sec. 15(b)–(d) (appropriations) shall take effect on passage.

(b) Notwithstanding 1 V.S.A. § 214, Sec. 14e (repeal of prior unemployment insurance supplemental benefit) shall take effect retroactively on October 7, 2021.

(c)(1) Sec. 14f (temporary unemployment insurance supplemental benefit) shall take effect on July 1, 2022 and apply to benefit weeks beginning after that date.

(2) Secs. 14g (special fund), 14h (appropriation for temporary unemployment insurance supplemental benefit), and 14i (sunset of unemployment insurance supplemental benefit) shall take effect on July 1, 2022.

(d) Sec. 14j (increase in unemployment insurance weekly benefit amount) shall take effect on July 1, 2024 and shall apply to benefit weeks beginning after that date.

(e) Sec. 14l (prospective repeal of unemployment insurance benefit increase) shall take effect upon the payment of a cumulative total of \$92,000,000.00 in additional benefits pursuant to 21 V.S.A. § 1338(e) when compared to the rate at which benefits would have been paid under the formula set forth in 21 V.S.A. § 1338(e) on June 30, 2024 and shall apply to benefit weeks beginning after that date.

(f) Sec. 14k (report on implementation of change to unemployment insurance weekly benefit) shall take effect on passage.

(g) All remaining sections of this act shall take effect on July 1, 2022.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Sirotkin, for the Committee on Finance, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs with the following amendments thereto:

First: In Sec. 8, tax increment financing project development; pilot program, subdivision (f)(2), by striking out the last sentence.

Second: In Sec. 8, tax increment financing project development; pilot program, subsection (e), subdivision (1)(B)(ii), by striking out “and”

and in subdivision (e)(1)(B)(iii)(IV), after “project” by striking out the period and inserting ; and

and after subdivision (e)(1)(B)(iii), by inserting a subdivision (iv) to read as follows:

(iv) the nexus between the improvement and the expected development and redevelopment for the project and expected outcomes in the TIF Project Zone.

Third: In Sec. 8, tax increment financing project development; pilot program, in subdivision (h)(1), in the second sentence, after “In each year” by striking out “for which the assessed valuation exceeds the original taxable value” and in subdivision (h)(3), in the second sentence, by striking out “within the district”

Fourth: In Sec. 8, tax increment financing project development; pilot program, subsection (i), by striking out subdivision (3) in its entirety.

Fifth: In Sec. 8, tax increment financing project development; pilot program, in subsection (k), subdivision (3)(B), by striking out “February 15” and inserting in lieu thereof October 1

Sixth: In Sec. 8, tax increment financing project development; pilot program, in subsection (l), by striking out “April”

Seventh: In Sec. 8, tax increment financing project development; pilot program, by striking out subsection (m) in its entirety and inserting in lieu thereof the following:

(m) Audit; financial reports.

(1) The State Auditor of Accounts shall conduct performance audits of all projects approved under this section. The cost of conducting each audit shall be considered a “related cost” as defined in subdivision (a)(10) of this section and shall be billed back to the municipality pursuant to 32 V.S.A. § 168(b). Audits conducted pursuant to this subsection shall include a review of a municipality’s adherence to relevant statutes and policies adopted by the Vermont Economic Progress Council pursuant to subsection (o) of this section, verification of the original taxable value, an assessment of record keeping related to revenues and expenditures, a validation of the portion of the tax increment retained by the municipality and used for debt repayment and the portion directed to the Education Fund, and current balance.

(2) The State Auditor shall conduct the audits described in subdivision (1) of this subsection based on the following schedule:

(A) a first audit shall be conducted five years after the first debt is incurred;

(B) a second audit shall be conducted seven years after completion of the first audit; and

(C) a final audit shall be conducted at the end of the period for retention of education increment.

Eighth: By striking out Sec. 11, 32 V.S.A. § 5404a(h), in its entirety and inserting in lieu thereof a new Sec. 11 to read as follows:

Sec. 11. [Deleted.]

And that the bill ought to pass in concurrence with such proposals of amendment.

Senator Kitchel, for the Committee on Appropriations, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Economic

Development, Housing and General Affairs with the following amendments thereto:

First: By striking out Sec. 15, appropriations, in its entirety and inserting in lieu thereof the following:

**Sec. 15. APPROPRIATIONS**

(a) Reversion. In fiscal year 2022, of the amounts appropriated in 2021 Acts and Resolves No. 74, Sec. G. 300(a)(13), from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Agency of Commerce and Community Development for the Economic Recovery Grant Program, \$25,500,000.00 shall revert to the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds.

(b) Recruitment and marketing. In fiscal year 2023, the following amounts are appropriated from the sources, to the recipients, and for the purposes specified:

(1) Worker recruitment. The amount of \$6,000,000.00 is appropriated from the General Fund to the Agency of Commerce and Community Development for worker recruitment activities and for the relocated and remote worker program.

(2) Tourism and marketing; relocation. In fiscal year 2023, the following amounts are appropriated from the General Fund to the Department of Tourism and Marketing, which the Department shall expend over two years:

(A) \$1,200,000.00 to support a regional relocation network; and

(B) \$3,000,000.00 for marketing and promotion.

(c) COVID economic support. In fiscal year 2022, the amount of \$20,000,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds as follows:

(1) VEDA Short-Term Forgivable Loan Program. \$15,000,000.00 to the Vermont Economic Development Authority for the VEDA Short-Term Forgivable Loan Program.

(2) Creative economy grants. \$5,000,000.00 to the Vermont Arts Council to provide grants for monthly operating costs, including rent, mortgage, utilities, and insurance, to creative economy businesses and nonprofits that have sustained substantial losses due to the pandemic.

(d) Workforce development. It is the intent of the General Assembly to provide \$26,900,000.00 from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds and the State General Fund to be allocated for workforce investment initiatives, including to address critical

needs in nursing and the skilled trades and to provide training opportunities for young adult Vermonters seeking to acquire skills. The specific programs to be funded shall be included in H.703 or other legislation passed in the 2022 legislative session.

(e) Downtown development. Of the amounts appropriated to the Agency of Commerce and Community Development in fiscal year 2023 for the Better Places Program, Think Vermont initiative, or other programs that promote downtown development, the Agency may allocate not more than \$485,000.00 to provide funding to one or more nonprofit organizations that sponsor a downtown designation to:

(1) expand the ability of the downtown organizations to educate, guide, and partner with businesses, nonprofits, and community organizations to strengthen downtown models and leverage State funding to incentivize broader participation;

(2) support marketing, content development, and increased digital reach for downtown organizations, individually and collectively; and

(3) support communication within the coordinated effort of these State-mandated organizations to leverage successes.

(f) Community-based economic development. It is the intent of the General Assembly that up to \$11,000,000.00 of funding be provided in fiscal year 2023 in other legislation for the following community-based economic development initiatives:

(1) the Department of Forests, Parks and Recreation Vermont Outdoor Recreation Economic Collaborative (VOREC) Community Grant Program; and

(2) the Department of Economic Development grant program for remediation and redevelopment of brownfield sites.

Second: By striking out Sec. 18, effective dates, and its reader assistance heading in their entirety and inserting in lieu thereof the following:

\* \* \* Downtown Tax Credits \* \* \*

Sec. 18. 32 V.S.A. § 5930ee is amended to read:

§ 5930ee. LIMITATIONS

Beginning in fiscal year ~~2010~~ 2023 and thereafter, the State Board may award tax credits to all qualified applicants under this subchapter, provided that:

(1) the total amount of tax credits awarded annually, together with sales tax reallocated under section 9819 of this title, does not exceed ~~\$3,000,000.00~~ \$4,350,000.00 with up to \$1,000,000.00 awarded to qualified projects in neighborhood development areas;

\* \* \*

Sec. 19. 32 V.S.A. § 5930ee is amended to read:

§ 5930ee. LIMITATIONS

Beginning in fiscal year ~~2023~~ 2025 and thereafter, the State Board may award tax credits to all qualified applicants under this subchapter, provided that:

(1) the total amount of tax credits awarded annually, together with sales tax reallocated under section 9819 of this title, does not exceed ~~\$4,350,000.00~~ with up to ~~\$1,000,000.00~~ awarded to qualified projects in ~~neighborhood development areas~~ \$3,000,000.00;

\* \* \*

Sec. 20. FY 2024 DOWNTOWN AND VILLAGE CENTER TAX CREDIT PROGRAM OFFSET

In fiscal year 2023, the amount of \$1,350,000.00 shall be carried forward within the General Fund to be available in fiscal year 2024 to provide onetime increased fiscal capacity for the Downtown and Village Center Tax Credit Program.

\* \* \* Effective Dates \* \* \*

Sec. 21. EFFECTIVE DATES

(a) Sec. 4 (Capital Investment Grant Program), Sec. 5 (VEDA Short-Term Forgivable Loan Program), and Sec. 15(b)-(d) (appropriations) shall take effect on passage.

(b) Notwithstanding 1 V.S.A. § 214, Sec. 14e (repeal of prior unemployment insurance supplemental benefit) shall take effect retroactively on October 7, 2021.

(c)(1) Sec. 14f (temporary unemployment insurance supplemental benefit) shall take effect on July 1, 2022 and shall apply to benefit weeks beginning after that date.

(2) Secs. 14g (special fund), 14h (appropriation for temporary unemployment insurance supplemental benefit), and 14i (sunset of Unemployment Insurance Supplemental Benefit) shall take effect on July 1, 2022.

(d) Sec. 14j (increase in unemployment insurance weekly benefit amount) shall take effect on July 1, 2024 and shall apply to benefit weeks beginning after that date.

(e) Sec. 14l (prospective repeal of unemployment insurance benefit increase) shall take effect upon the payment of a cumulative total of \$92,000,000.00 in additional benefits pursuant to 21 V.S.A. § 1338(e) when compared to the rate at which benefits would have been paid under the formula set forth in 21 V.S.A. § 1338(e) on June 30, 2024 and shall apply to benefit weeks beginning after that date.

(f) Sec. 14k (report on implementation of change to unemployment insurance weekly benefit) shall take effect on passage.

(g) Sec. 19 (32 V.S.A. § 5930ee) shall take effect on July 1, 2024.

(h) All remaining sections of this act shall take effect on July 1, 2022.

And that the bill ought to pass in concurrence with such proposals of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of proposal of amendment of the Committee on Economic Development, Housing and General Affairs was amended as recommended by the Committee on Finance.

Thereupon, the recommendation of proposal of amendment of the Committee on Economic Development, Housing and General Affairs, as amended was amended, as recommended by the Committee on Appropriations.

Thereupon, the proposal of amendment recommended by the Committee on Economic Development, Housing and General Affairs, as amended, was agreed to and third reading of the bill was ordered.

### **Proposal of Amendment; Third Reading Ordered**

#### **H. 635.**

Senator Benning, for the Committee on Judiciary, to which was referred House bill entitled:

An act relating to secondary enforcement of minor traffic offenses.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

#### **Sec. 1. MOTOR VEHICLE OFFENSES REPORT**

(a) The Executive Director of Racial Equity, the Commissioner of Motor Vehicles, and the Commissioner of Public Safety jointly shall examine all

motor vehicle violations for the purpose of making recommendations on whether or not statutes should be repealed, modified, or limited to secondary enforcement.

(b) The Executive Director and Commissioners jointly shall provide an interim report to the House and Senate Committees on Judiciary and on Transportation on or before January 15, 2023 and a final written report to the committees on or before October 1, 2023.

## Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

And that the bill ought to pass in concurrence with such proposal of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the proposal of amendment was agreed to, and third reading of the bill was ordered.

### **Rules Suspended; Bill Committed**

Pending entry on the Calendar for notice, on motion of Senator Bray the rules were suspended and House bill entitled:

**H. 715.** An act relating to the Clean Heat Standard.

was committed to the Committee on Appropriations pursuant to Rule 31 with the report of the Committee on Natural Resources and Energy *intact*,

Which was agreed to.

### **Senate Concurrent Resolution**

The following joint concurrent resolution, having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, was adopted on the part of the Senate:

By Senators Cummings, Perchlik and Pollina,

By Reps. Ancel and others,

### **S.C.R. 18.**

Senate concurrent resolution in memory of former Assistant Attorney General Mark Di Stefano of Montpelier.

**House Concurrent Resolutions**

The following joint concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted in concurrence:

By Reps. Bos-Lun and others,

By Senators Balint, Clarkson, McCormack, Nitka and White,

**H.C.R. 139.**

House concurrent resolution congratulating the Vermont winners of the 2022 NYSRAEF ProStart Invitational culinary competition.

By Reps. Norris and Walker,

**H.C.R. 140.**

House concurrent resolution congratulating E.J. Barrette & Sons Inc. of Swanton on its centennial.

By Reps. Vyhovsky and others,

**H.C.R. 141.**

House concurrent resolution congratulating Chef Christian Kruse on his selection as a 2022 semifinalist for the receipt of the James Beard Foundation's Best Chef: Northeast Award.

By Reps. Bluemle and others,

By Senators Balint, Benning, Brock, Champion, Chittenden, Clarkson, Collamore, Cummings, Hardy, Hooker, Kitchel, Lyons, Nitka, Pearson, Ram Hinsdale, Sears, Starr and White,

**H.C.R. 142.**

House concurrent resolution in memory of Sister Janice E. Ryan, RSM.

By Reps. Lefebvre and Lippert,

**H.C.R. 143.**

House concurrent resolution in memory of George H. Severance of Hinesburg.

**Adjournment**

On motion of Senator Balint, the Senate adjourned, to reconvene on Tuesday, April 19, 2022, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 50.