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H.124

Introduced by Representatives Botzow of Pownal, Marcotte of Coventry, Carr  
of Brandon, Kitzmiller of Montpelier, O’Sullivan of Burlington,  
Sibilia of Dover, and Stuart of Brattleboro

Referred to Committee on

Date:

Subject: Commerce and trade; economic development

Statement of purpose of bill as introduced: This bill proposes to adopt  
multiple economic development provisions.

An act relating to promoting economic development

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

\* \* \* Vermont Strong Scholars Program \* \* \*

Sec. 1. 16 V.S.A. § 2888 is amended to read:

§ 2888. VERMONT STRONG SCHOLARS AND INTERNSHIP

INITIATIVE

(a) Creation.

(1) There is created a postsecondary loan forgiveness and internship  
initiative designed to forgive a portion of Vermont Student Assistance  
Corporation loans of students employed in ~~economic sectors~~ occupations

1 identified as important to Vermont's economy and to build internship  
2 opportunities for students to gain work experience with Vermont employers.

3 (2) The initiative shall be known as the Vermont Strong Scholars and  
4 Internship Initiative and is designed to:

5 (A) encourage students to:

6 (i) consider ~~jobs in economic sectors~~ occupations that are critical  
7 to the Vermont economy;

8 (ii) enroll and remain enrolled in a Vermont postsecondary  
9 institution; and

10 (iii) live and work in Vermont upon graduation;

11 (B) reduce student loan debt for postsecondary ~~education in targeted~~  
12 ~~fields~~ degrees involving a course of study related to, and resulting in,  
13 employment in target occupations;

14 (C) provide experiential learning through internship opportunities  
15 with Vermont employers; and

16 (D) support a ~~pipeline~~ steady stream of qualified talent for  
17 ~~employment with~~ Vermont's employers.

18 (b) Vermont Strong Loan Forgiveness Program.

19 (1) ~~Economic sectors~~ Occupations; projections.

20 (A) Annually, on or before November 15, the Secretary of Commerce  
21 and Community Development and the Commissioner of Labor, in consultation

1 with the Vermont State Colleges, the University of Vermont, the Vermont  
2 Student Assistance Corporation, the Secretary of Human Services, and the  
3 Secretary of Education, shall identify ~~economic sectors~~ occupations, projecting  
4 at least four years into the future, that are or will be critical to the Vermont  
5 economy.

6 (B) Based upon the identified ~~economic sectors~~ occupations and the  
7 number of students anticipated to qualify for loan forgiveness under this  
8 section, the Secretary of Commerce and Community Development shall  
9 annually provide the General Assembly with the estimated cost of the Vermont  
10 Student Assistance Corporation's loan forgiveness awards under the Loan  
11 Forgiveness Program during the then-current fiscal year and each of the four  
12 following fiscal years.

13 (2) Eligibility. A graduate of a public or private Vermont postsecondary  
14 institution shall be eligible for forgiveness of a portion of his or her Vermont  
15 Student Assistance Corporation postsecondary education loans under this  
16 section if he or she:

17 (A) was a Vermont resident, as defined in subdivision 2822(7) of this  
18 title, at the time he or she was graduated;

19 (B) enrolled in his or her first year of study at a postsecondary  
20 institution on or after July 1, 2015 and completed an associate's degree within

1 three years, or a bachelor's degree within six years of his or her enrollment  
2 date;

3 (C) becomes employed on a full-time basis in Vermont within  
4 12 months of graduation in an ~~economic sector~~ occupation identified by the  
5 Secretary and Commissioner under subdivision (1) of this subsection;

6 (D) remains employed on a full-time basis in Vermont throughout the  
7 period of loan forgiveness in an ~~economic sector~~ occupation identified by the  
8 Secretary and Commissioner under subdivision (1) of this subsection; and

9 (E) remains a Vermont resident throughout the period of loan  
10 forgiveness.

11 (3) Loan forgiveness. An eligible individual shall have a portion of his  
12 or her Vermont Student Assistance Corporation loan forgiven as follows:

13 (A) ~~For~~ for an individual awarded an associate's degree, in an  
14 amount equal to the comprehensive in-state tuition rate for 15 credits at the  
15 Vermont State Colleges during the individual's final semester of enrollment, to  
16 be prorated over the three years following graduation;

17 (B) ~~For~~ for an individual awarded a bachelor's degree, in an amount  
18 equal to the comprehensive in-state tuition rate for 30 credits at the Vermont  
19 State Colleges during the individual's final year of enrollment, to be prorated  
20 over the five years following graduation;

1           (C) ~~Loan~~ loan forgiveness may be awarded on a prorated basis to an  
2 otherwise eligible Vermont resident who transfers to ~~and is graduated from a~~  
3 Vermont postsecondary institution and graduates after July 1, 2017, with an  
4 associate's degree or after July 1, 2019, with a bachelor's degree.

5           (4) Management.

6           (A) The Secretary of Commerce and Community Development shall  
7 develop all organizational details of the Loan Forgiveness Program consistent  
8 with the purposes and requirements of this section.

9           (B) The Secretary shall enter into a memorandum of understanding  
10 with the Vermont Student Assistance Corporation for management of the Loan  
11 Forgiveness Program.

12           (C) The Secretary may adopt rules pursuant to 3 V.S.A. chapter 25  
13 necessary to implement the Program.

14           (c) Vermont Strong Internship Program.

15           (1) Internship Program management.

16           (A) The Commissioner of Labor and the Secretary of Commerce and  
17 Community Development shall jointly develop and implement the  
18 organizational details of the Internship Program consistent with the purposes  
19 and requirements of this section and may adopt rules pursuant to 3 V.S.A.  
20 chapter 25 necessary to implement the Internship Program.

1           (B) The Commissioner, in consultation with the Secretary, shall issue  
2 a request for proposals for a person to serve as an Internship Program  
3 Intermediary, who shall perform the duties and responsibilities pursuant to the  
4 terms of a performance contract negotiated by the Commissioner and the  
5 Intermediary.

6           (C) The Department of Labor, the Agency of Commerce and  
7 Community Development, the regional development corporations, and the  
8 Intermediary, shall have responsibility for building connections within the  
9 business community to ensure broad private sector participation in the  
10 Internship Program.

11           (D) The Program Intermediary shall:

12           (i) identify and foster postsecondary internships that are rigorous,  
13 productive, well-managed, and mentored;

14           (ii) cultivate relationships with employers, employer-focused  
15 organizations, and State and regional government bodies;

16           (iii) build relationships with Vermont postsecondary institutions  
17 and facilitate recruitment of students to apply for available internships;

18           (iv) create and maintain a registry of participating employers and  
19 associated internship opportunities;

20           (v) coordinate and provide support to the participating student, the  
21 employer, and the student's postsecondary institution;

1                   (vi) develop and oversee a participation contract between each  
2 student and employer, including terms governing the expectations for the  
3 internship, a work plan, mentoring and supervision of the student, reporting by  
4 the employer and student, and compensation terms; and

5                   (vii) carry out any additional activities and duties as directed by  
6 the Commissioner.

7                   (2) Qualifying internships.

8                   (A) Criteria. To qualify for participation in the Internship Program  
9 an internship shall at minimum:

10                   (i) be with a Vermont employer as approved by the Intermediary  
11 in consultation with the Commissioner and Secretary;

12                   (ii) pay compensation to an intern of at least the prevailing  
13 minimum wage; and

14                   (iii) meet the quality standards and expectations as established by  
15 the Intermediary.

16                   (B) Employment of interns. Interns shall be employed by the  
17 sponsoring employer except, with the approval of the Commissioner on a  
18 case-by-case basis, interns may be employed by the Intermediary and assigned  
19 to work with a participating Vermont employer, in which case the sponsoring  
20 employer shall contribute funds as determined by the Commissioner.

1           (3) Student eligibility. To participate in the Internship Program, an  
2 individual shall be:

3           (A) a Vermont resident enrolled in a postsecondary institution in or  
4 outside Vermont;

5           (B) a student who graduated from a postsecondary institution within  
6 24 months of entering the program who was classified as a Vermont resident  
7 during that schooling or who is a student who attended a postsecondary  
8 institution in Vermont; or

9           (C) a student enrolled in a Vermont postsecondary institution.

10          (d) Funding.

11           (1) Loan Forgiveness Program.

12           (A) Loan forgiveness; State funding.

13           (i) There is created a special fund to be known as the Vermont  
14 Strong Scholars Fund pursuant to 32 V.S.A. chapter 7, subchapter 5, which  
15 shall be used and administered by the Secretary of Commerce and Community  
16 Development solely for the purposes of loan forgiveness pursuant to this  
17 section.

18           (ii) The Fund shall consist of sums to be identified by the  
19 Secretary from any source accepted for the benefit of the Fund and interest  
20 earned from the investment of Fund balances.

1           (iii) Any interest earned and any remaining balance at the end of  
2 the fiscal year shall be carried forward in the Fund.

3           (iv) The availability and payment of loan forgiveness awards  
4 under this subdivision is subject to State funding available for the awards.

5           (B) Loan forgiveness; Vermont Student Assistance Corporation. The  
6 Vermont Student Assistance Corporation shall have the authority to grant loan  
7 forgiveness pursuant to this section by using the private loan forgiveness  
8 capacity associated with bonds issued by the Corporation to raise funds for  
9 private loans that are eligible for forgiveness under this section, if available.

10          (2) Internship Program. Notwithstanding any provision of law to the  
11 contrary, the Commissioner of Labor shall have the authority to use funds  
12 allocated to the Workforce Education and Training Fund established in  
13 10 V.S.A. § 543 to implement the Internship Program created in this section.

14                           \* \* \* Tourism and Marketing \* \* \*

15          Sec. 2. TOURISM AND MARKETING INITIATIVE

16          (a) Of the amount by which the meals and rooms tax revenue for fiscal year  
17 2016 projected at the January 20, 2015, Emergency Board meeting exceeds the  
18 fiscal year 2016 projection for the meals and rooms tax at the July 24, 2014,  
19 Emergency Board meeting, up to 15 percent, but not more than \$750,000.00, is  
20 appropriated to the Agency of Commerce and Community Development as  
21 additional funding for tourism and marketing.

1        (b) The appropriation provided in subsection (a) of this section is  
2        contingent on a General Fund surplus at the end of fiscal year 2016 adequate to  
3        support the appropriation.

4                                \* \* \* Vermont Employment Growth Incentive \* \* \*

5        Sec. 3. 32 V.S.A. § 5930a(c)(2) is amended to read:

6                (2) The new jobs should make a net positive contribution to employment  
7        in the area, and meet or exceed the ~~prevailing compensation level including~~  
8        ~~wages and benefits, for the particular employment sector~~ livable wage at the  
9        time of application, as calculated pursuant to 2 V.S.A. § 505(a)(3). The new  
10       jobs should offer benefits and opportunities for advancement and professional  
11       growth consistent with the employment sector.

12       Sec. 4. 32 V.S.A. § 5930b is amended to read:

13       § 5930b. VERMONT EMPLOYMENT GROWTH INCENTIVE

14       (a) Definitions. As used in this section:

15                (1) “Application base number of jobs” means the total number of  
16       full-time Vermont jobs, on an annualized basis, held by nonowners at the time  
17       of application, including employees that have been laid off or otherwise  
18       terminated within six months of the date of application.

19                (2) “Application base payroll” means the total Vermont gross wages and  
20       salaries paid to full-time, nonowner employees on an annualized basis at the

1 time of application, including employees who have been laid off or otherwise  
2 terminated within six months prior to the date of application.

3 (3) “Authorized award amount” means the amount of the incentive  
4 award as determined by the Vermont Economic Progress Council pursuant to  
5 this section.

6 (4) “Award period” means the consecutive five years during which a  
7 business may add qualifying jobs and qualifying capital investments eligible  
8 for employment growth incentives under this section.

9 (5) “Base number of jobs” means the total number of full-time Vermont  
10 jobs held by nonowners on an annualized basis.

11 (6) “Base payroll” means the total Vermont gross wages and salaries  
12 actually paid to full-time, nonowner employees.

13 (7) “But-for” means the determination of whether, in the absence of the  
14 economic incentive sought, the proposed economic development would not  
15 occur or would occur in a significantly different and significantly less desirable  
16 manner.

17 (8) “Capital investment target” means qualifying capital investment in  
18 an award period year as represented on the Vermont employment growth  
19 incentive application.

20 (9) “Full-time job” means a permanent position filled by an employee  
21 who works at least 35 hours each week.

1           (10) “Incentive percentage” means the percentage applied to qualifying  
2 payroll in order to calculate earned incentives.

3           (11) “Incentive ratio,” set at 80 percent, is the percentage applied to the  
4 preincentive net fiscal benefit in order to calculate the maximum award that  
5 may be authorized under this section.

6           (12) [Repealed.]

7           (13) “Jobs target” means the projected number of new qualifying jobs in  
8 an award period year as reported on the Vermont employment growth  
9 incentive application.

10          (14) “Net fiscal benefit” means the excess of the present value  
11 benefit to the State over the present value cost to the State as calculated by the  
12 cost-benefit model.

13          (15) “Nonowner” means an employee with no more than 10 percent  
14 ownership interest, including attribution of ownership interests of the  
15 employee’s spouse, parents, spouse’s parents, siblings, and children.

16          (16) “Payroll target” means the projected Vermont gross wages and  
17 salaries for qualifying jobs in an award period year as reported on the Vermont  
18 employment growth incentive application.

19          (17) “Payroll threshold” means expected average industry payroll  
20 growth as determined by the cost-benefit model.

1           (18) “Projected average wage” means the total payroll targets divided by  
2 the total jobs targets.

3           (19) “Qualifying capital investment” means projected investments in  
4 Vermont in new facilities, machinery, and equipment, the value of which is an  
5 input to the cost-benefit model in evaluating applications.

6           (20) “Qualifying jobs” means new, full-time Vermont jobs held by  
7 nonowners that meet the wage threshold.

8           (21) “Qualifying payroll” means annualized Vermont gross wages and  
9 salaries paid for qualifying jobs created in or carried forward to the award  
10 period year, provided that:

11                   (A) award period year base payroll; minus

12                   (B) Vermont gross wages and salaries paid for new qualifying jobs  
13 created in or carried forward to the award period year; equals or exceeds

14                   (C) prior-year base payroll minus any carry-forward of qualifying  
15 payroll under subdivision (c)(4) of this section, plus award-year payroll  
16 threshold.

17           (22) “Utilization period” means the period during which incentives can  
18 be claimed, and includes each year of the award period plus the four years  
19 immediately following each year of the award period.

1           (23) “Vermont gross wages and salaries” means Medicare wages as  
2 reported on Federal Tax Form W2 to the extent those wages are Vermont  
3 wages, excluding income from nonstatutory stock options.

4           (24) “Wage threshold” means the minimum annualized Vermont gross  
5 wages and salaries paid, as determined by the Council, but not less than  
6 ~~60 percent above the minimum wage at the time of application, in order for a~~  
7 ~~new job to be a qualifying job under this section~~ the livable wage at the time of  
8 application, as calculated pursuant to 2 V.S.A. § 505(a)(3).

9           (b) Authorization process.

10           (1) A business may apply to the Vermont Economic Progress Council  
11 for approval of a performance-based employment growth incentive to be paid  
12 out of the business’s withholding account upon approval by the Department of  
13 Taxes pursuant to the conditions set forth in this section. Businesses shall not  
14 be permitted to deduct approved incentives from withholding liability  
15 payments otherwise due. In addition to any other information that the Council  
16 may require in order to fulfill its obligations under section 5930a of this title,  
17 an employment growth incentive application shall include all the following  
18 information:

19           (A) application base number of jobs;

20           (B) total jobs at time of application;

21           (C) application base payroll;

- 1 (D) total payroll at time of application;
- 2 (E) jobs target for each year in the award period;
- 3 (F) payroll target for each year in the award period;
- 4 (G) capital investment target for each year in the award period; and
- 5 (H) a statement signed by the president or chief executive officer or
- 6 equivalent acknowledging that to the extent the applicant fails to meet the
- 7 minimum capital investment by the end of the award period, any incentives
- 8 remaining to be earned shall be limited, and any incentives taken shall be
- 9 subject to complete or partial reversal, pursuant to subdivisions (c)(10) and
- 10 (11) of this section.

11 (2) The Council shall review each application in accordance with

12 section 5930a of this title, except that the Council may provide for an initial

13 approval pursuant to the conditions set forth in subsection 5930a(c), followed

14 by a final approval at a later date, before December 31 of the calendar year in

15 which the economic activity commences.

16 (3) Except as provided in subdivision (5) of this subsection, the value of

17 the incentives will be dependent upon the net fiscal benefit resulting from

18 projected qualifying payroll and qualifying capital investment. An incentive

19 ratio shall be applied to the net fiscal benefit generated by the cost-benefit

20 model in order to determine the maximum award the Council may authorize

21 for each application it approves. The Council may establish a threshold for

1 wages in excess of, but not less than, the wage threshold, as defined in  
2 subsection (a) of this section for individual applications the Council wishes to  
3 approve. The Council shall calculate an incentive percentage for each  
4 approved application as follows:

5 
$$\text{Authorized award amount} \div \text{the five-year sum of all payroll targets}$$

6 (4) An approval shall specify: the application base jobs at the time of the  
7 application; total jobs at time of application; the application base payroll; total  
8 payroll at time of application; the incentive percentage; the wage threshold; the  
9 payroll thresholds; a job target for each year of the award period; a payroll  
10 target for each year of the award period; a capital investment target for each  
11 year of the award period and description sufficient for application of  
12 subdivisions (c)(10) and (11) of this section of the nature of qualifying capital  
13 investment over the award period upon which approval shall be conditioned;  
14 and the amount of the total award. The Council shall provide a copy of each  
15 approval to the Department of Taxes along with a copy of the application  
16 submitted by that applicant.

17 (5) Notwithstanding subdivision (3) of this subsection, the Council may  
18 authorize incentives in excess of net fiscal benefit multiplied by the incentive  
19 ratio ~~not to exceed an annual authorization established by law~~ for awards to  
20 businesses located in a labor market area of this State in which the rate of  
21 unemployment is greater than the average for the State or in which the average

1 annual wage is below the average annual wage for the State. As used in this  
2 subdivision, a “labor market area” shall be as determined by the Department of  
3 Labor.

4 (c) Claiming an employment growth incentive.

5 \* \* \*

6 (6)(A) A business whose application is approved and, in the first,  
7 second, or third year of the award period, fails to meet or exceed its payroll  
8 target and one out of two of its jobs and capital investment targets may not  
9 claim incentives in that year. To the extent such business reaches its first,  
10 second, or third year award period targets within the succeeding two calendar  
11 year reporting periods immediately succeeding year one, two, or three of the  
12 award period, or within the extended period if an extension is granted under  
13 subdivision (B) of this subdivision (6), whichever is applicable, such business  
14 may claim incentives in five-year installments as provided in subdivisions (1)  
15 through (4) of this subsection. A business which fails to meet or exceed its  
16 payroll target and one of its two jobs and capital investment targets within this  
17 time frame shall forfeit all authority under this section to earn and claim  
18 incentives for award period year one, two, or three, as applicable, and any  
19 future award period years. The Department of Taxes shall notify the Vermont  
20 Economic Progress Council that the first, second, or third year award period  
21 targets have not been met within the prescribed period, and the Council shall

1 rescind authority for the business to earn incentives for the activity in year one,  
2 two, or three, as applicable, and any future award period years.

3 (B) Notwithstanding subdivision (A) of this subdivision (6), upon  
4 notification by the Department of Taxes that a business has not reached its first  
5 or second year award period targets within the succeeding two calendar year  
6 reporting periods, the Vermont Economic Progress Council may review the  
7 circumstances that caused the business to fail to meet the targets within the  
8 required time period. If the Council determines that there is a reasonable  
9 likelihood that the business will meet the award period targets, the Council  
10 may extend the period to meet the targets for another two reporting periods,  
11 reviewed annually, for award year one, and one reporting period for award  
12 year two.

13 \* \* \*

14 (h) Enhanced training incentive. Notwithstanding any provision of law to  
15 the contrary, the Council may award an enhanced training incentive as follows:

16 (1) A business whose incentive application is approved may elect to  
17 claim an enhanced training incentive at any time during the award period by:

18 (A) notifying the Council of its intent to pursue an enhanced training  
19 incentive and dedicate its incentive funds to training through the Vermont  
20 Training Program; and

1           (B) applying for a grant from the Vermont Training Program to  
2           perform training for new employees who hold qualifying jobs.

3           (2) If the business successfully completes new employee training  
4           pursuant to the terms of its training grant and uses incentive funds to cover a  
5           25 percent share of the training costs, the Agency of Commerce and  
6           Community Development shall disburse grant funds for on-the-job training of  
7           not more than 75 percent of wages for each employee in training, or not more  
8           than 75 percent of trainer expense upon successful completion of training  
9           hours.

10          (3) The Department of Taxes shall reimburse the Agency for 25 percent  
11          of the wages or trainer expense incurred by the Vermont Training Program  
12          pursuant to subdivision (2) of this subsection.

13          (4) If the business successfully completes its training and meets or  
14          exceeds its payroll target and either its jobs target or capital investment target,  
15          the Council shall approve the enhanced training incentive and notify the  
16          Department of Taxes.

17          (5) Upon notification by the Council, the Department of Taxes shall  
18          disburse the full remaining value of the business's incentive, less the value of  
19          the reimbursement to the Vermont Training Program for training expenses  
20          pursuant to subdivision (3) of this subsection.

1           (6)(A) If, during the utilization period for the incentive paid pursuant to  
2           this subsection (h), the business fails to maintain the qualifying jobs or  
3           qualifying payroll established in the award year, or does not reestablish  
4           qualifying jobs or qualifying payroll to 100 percent of the award year level, the  
5           Department of Taxes shall recapture the enhanced incentive pursuant to  
6           subsection (d) of this section.

7           (B) The amount of recapture shall equal the sum of the installments  
8           that the Department would have disbursed if it had paid the incentive in  
9           five-year installments pursuant to subdivision (c)(2) of this section for the  
10           years during the utilization period that the qualifying jobs or qualifying payroll  
11           were not maintained.

12           (i) Overall gross cap on total employment growth incentive and education  
13           tax incentive authorizations. For any calendar year, the total amount of  
14           employment growth incentives the Vermont Economic Progress Council is  
15           authorized to approve under this section and property tax stabilizations under  
16           32 V.S.A. § 5404a(a) shall not exceed \$10,000,000.00 from the General Fund  
17           and Education Fund combined each year. This maximum annual amount may  
18           be exceeded by the Vermont Economic Progress Council upon application to  
19           and approval by the Emergency Board.

1 Sec. 5. 2006 Acts and Resolves No. 184, Sec. 11 is amended to read:

2 Sec. 11. ~~VEGI; ANNUAL CALENDAR YEAR CAPS~~

3 ~~(a) Net negative awards cap. Notwithstanding any other provision of law,~~  
4 ~~in any calendar year, the annual authorization for the total net fiscal cost of~~  
5 ~~Vermont employment growth incentives that the Vermont economic progress~~  
6 ~~council or the economic incentive review board may approve under 32 V.S.A.~~  
7 ~~§ 5930b(b)(5) shall not exceed \$1,000,000.00 from the general fund.~~

8 ~~(b) Restrictions to labor market area. Employment growth incentives within~~  
9 ~~the annual authorization amount in subsection (a) of this section shall be~~  
10 ~~granted solely for awards to businesses located in a labor market area of this~~  
11 ~~state in which the rate of unemployment is greater than the average for the~~  
12 ~~state or in which the average annual wage is below the average annual wage~~  
13 ~~for the state. For the purposes of this section, a "labor market area" shall be as~~  
14 ~~determined by the department of labor.~~

15 ~~(c) Overall gross cap on total employment growth incentive and education~~  
16 ~~tax incentive authorizations. For any calendar year, the total amount of~~  
17 ~~employment growth incentives the Vermont economic progress council or the~~  
18 ~~economic incentive review board is authorized to approve under 32 V.S.A.~~  
19 ~~§ 5930b and property tax stabilizations and allocations under 32 V.S.A.~~  
20 ~~§ 5404a(a) and (e) shall not exceed \$10,000,000.00 from the general fund and~~  
21 ~~education fund combined each year. This maximum annual amount may be~~

1 ~~exceeded by the Vermont economic progress council upon application to and~~  
2 ~~approval by the Emergency Board. [Repealed.]~~

3 Sec. 6. 10 V.S.A. § 531(d) is amended to read:

4 (d) In order to avoid duplication of programs or services and to provide the  
5 greatest return on investment from training provided under this section, the  
6 Secretary of Commerce and Community Development shall:

7 (1) consult with the Commissioner of Labor regarding whether the  
8 grantee has accessed, or is eligible to access, other workforce education and  
9 training resources;

10 (2) disburse grant funds only for training hours that have been  
11 successfully completed by employees; provided that, except for an award  
12 under an enhanced training incentive as provided in 32 V.S.A. § 5930b(h), a  
13 grant for on-the-job training shall either provide not more than 50 percent of  
14 wages for each employee in training, or not more than 50 percent of trainer  
15 expense, but not both, and further provided that training shall be performed in  
16 accordance with a training plan that defines the subject of the training, the  
17 number of training hours, and how the effectiveness of the training will be  
18 evaluated; and

19 (3) use funds under this section only to supplement training efforts of  
20 employers and not to replace or supplant training efforts of employers.

1       Sec. 7. EFFECTIVE DATES

2           This act shall take effect on July 1, 2015, except, notwithstanding 1 V.S.A.  
3           § 214, Secs. 3–6 (Vermont Employment Growth Incentive provisions) shall  
4           take effect retroactively as of January 1, 2015.