

1       Sec. 1. DEFINITIONS

2           As used in this act:

3           (1) “CARES Act” means the Coronavirus Aid, Relief, and Economic  
4 Security Act, Pub. L. No. 116–136, as amended, and any guidance and  
5 regulations issued under that act.

6           (2) “Governor’s Order” means Executive Order 01-20 and any addenda  
7 and directives issued under that order.

8           (3) “Eligible business” means:

9           (A) The business is a non-public, private organization that:

10           (i) is domiciled in Vermont; and

11           (ii) has one or more employees in Vermont.

12           (B) The business is:

13           (i) organized and operated on a for-profit basis, including a sole  
14 proprietor, partnership, limited liability company, business corporation,  
15 cooperative, or mutual benefit enterprise; or

16           (ii) organized and operated on a nonprofit or low-profit basis,  
17 including a mutual benefit corporation, public benefit corporation, and a low-  
18 profit limited liability company.

19           (C) The business was in operation on or before February 15, 2020.

20           (D) The business:

21           (i) is open for business at the time of application; or

1                   (ii) is closed for business due to the COVID-19 public health  
2                   emergency but has a good faith plan for reopening.

3                   (4)(A) “Eligible use” means a use of loan or grant funds permitted under  
4                   the CARES Act to assist a business in addressing the costs of business  
5                   interruption during the COVID-19 public health emergency, including:

6                   (i) working capital;

7                   (ii) payment of fixed costs;

8                   (iii) accounts payable;

9                   (iv) payroll;

10                  (v) other bills that were ordinarily paid from ongoing operations  
11                  prior to the COVID-19 public health emergency; and

12                  (vi) costs incurred to changes business strategy, delivery method,  
13                  or other operational changes in response to the COVID-19 public health  
14                  emergency.

15                  (B) “Eligible use” does not include:

16                  (i) business expansion that is not in response to the COVID-19  
17                  public health emergency;

18                  (ii) physical repairs;

19                  (iii) acquisition of real property;

20                  (iv) construction of renewable energy projects;

21                  (v) payment of bonuses or dividends;

- 1                    (vi) debt consolidation or refinancing of long-term debt;  
2                    (vii) payments for taxes, public utilities, or other government  
3 services or fees that qualify as revenue replacement to the government  
4 recipient under the CARES Act; and  
5                    (viii) payments for expenses for which the business has or will  
6 receive reimbursement from another federal source, State source, or insurance.

7                    Sec. 2. RESTART VERMONT EMERGENCY ACTION GRANT  
8                    PROGRAM

9                    (a) Authorization; appropriation. Of the funds available to the State of  
10 Vermont under the CARES Act, the amount of \$50,000,000 is appropriated to  
11 the Department of Taxes to establish a Restart Vermont Emergency Action  
12 Grant Program, in coordination with the Agency of Commerce and  
13 Community Development.

14                    (b) Requirements for grant applicants. An eligible business may apply for  
15 a grant for an eligible use if:

16                    (1) The business is:

17                    (A) a vendor registered to collect sales and use tax pursuant to Title  
18 32, Chapter 233; or

19                    (B) is an operator registered to collect meals and rooms tax pursuant  
20 to Title 32, Chapter 225, but this does not include operators who are only

1 operators because they conduct business as a booking agent under Title 32,  
2 Chapter 225.

3 (2) The business files its sales and use or meals and room taxes on a  
4 monthly or quarterly basis.

5 (3) The business experienced a 75 percent or greater reduction in taxable  
6 sales in any one-month period from March 1, 2020 to September 1, 2020 as  
7 compared to the same one month period from March 1, 2020 to September 1,  
8 2019.

9 (c) Grant amount; terms.

10 (1) The amount of a grant shall equal the lesser of:

11 (A) \$62,500; or

12 (B) 5 percent of the business's average annual sales subject to sales  
13 and use, and to rooms and meals taxes, from calendar years 2018 and 2019.

14 (2) For purposes of calculating a business's sales pursuant to this  
15 subsection, if the business was not open in any month during 2018 and 2019  
16 other than for normal seasonal or holiday closures, then the sales equal the  
17 average monthly sales for the months the business was open, and then  
18 calculated on an annualized basis.

19 Sec. 3. RESTART VERMONT GRANT PROGRAM

20 (a) Authorization; appropriation.

1           (1) Of the funds available to the State of Vermont under the CARES  
2           Act, the amount of \$20,000,000 is appropriated to the Agency of Commerce  
3           and Community Development to establish a Restart Vermont Grant Program,  
4           in coordination with the Department of Taxes.

5           (2) The Agency shall identify local, regional, and State economic  
6           development organizations with whom it may partner to most efficiently  
7           distribute grants under the Program, which may include the Vermont  
8           Economic Development Authority, regional development corporations,  
9           community action agencies, and private institutions.

10          (b) Requirements for grant applicants. An eligible business may apply for  
11          a grant for an eligible use if the business experienced a 75 percent or greater  
12          reduction in revenue in any one-month period from March 1, 2020 to  
13          September 1, 2020 as compared to the same one month period from March 1,  
14          2020 to September 1, 2019.

15          (c) Grant amount; terms.

16           (1) The amount of a grant shall equal the lesser of:

17           (A) \$62,500; or

18           (B) 5 percent of the business's average annual revenue from calendar  
19          years 2018 and 2019.

20           (2) For purposes of calculating a business's revenue pursuant to this  
21          subsection, if the business was not open in any month during 2018 and 2019

1 other than for normal seasonal or holiday closures, then the revenue equals the  
2 average monthly revenue for the months the business was open, and then  
3 calculated on an annualized basis.

4 Sec. 4. GUIDELINES; REPORTING

5 (a) Guidelines. On or before June 15, 2020, the Department of Taxes and  
6 the Agency of Commerce and Community Development shall publish  
7 guidelines governing the implementation of their respective programs, which  
8 at minimum shall:

9 (1) establish application and award procedures;

10 (2) seek to ensure a need-based, equitable distribution of funds among  
11 regions and among business types, sizes, and sectors;

12 (3) ensure that all grant awards comply with the requirements of the  
13 federal CARES Act and any guidance and interpretation issued under the Act;

14 (4) require sufficient application information and maintain adequate  
15 records to demonstrate compliance with the Act;

16 (5) adopt procedures to prevent, detect, and mitigate fraud, waste, error,  
17 and abuse; and

18 (6) ensure that grant applicants are in compliance with State and federal  
19 employment laws.

20 (b) Reporting. The Agency and Department shall:

- 1           (1) provide regular updates and information concerning grant guidelines,  
2           awards, and implementation to the committees of jurisdiction of the General  
3           Assembly; and
- 4           (2) submit a report to the General Assembly on or before September 1,  
5           2020 detailing the implementation of this section, including specific  
6           information concerning the amount and identity of grant recipients, which shall  
7           be publicly available.