



VERMONT LEGISLATIVE  
**Joint Fiscal Office**

1 Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • <https://jfo.vermont.gov>

## Fiscal Note

March 30, 2026

Patrick Titterton, Senior Fiscal Analyst

### **S.327 – An act relating to economic development**

**As passed by the Senate<sup>1</sup>**

#### **Bill Summary**

**T**his bill as recommended proposes to create three new studies on economic development and repeals the sunset language for the Vermont Economic Growth Incentive Program (VEGI).

#### **Fiscal Impact**

The bill would repeal the VEGI sunset and make the program permanent. The 2025 VEGI annual report shows that approximately \$2.2 million in incentives were paid in 2023.

#### **Background and Details**

##### **Section 7: Business Resources and Growth Inventory Study**

Section 7 would task the Department of Economic Development (DED), in consultation with stakeholders, to study how the State can better enable and support growth of Vermont businesses. DED would be required to submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs by December 15, 2026. This section is not expected to have a fiscal impact.

##### **Section 9: Vermont Economic Growth Incentive (VEGI) Program Sunset Repeal**

Section 9 would repeal the sunset of Vermont Economic Progress Council's (VEPC) authority to issue awards through VEGI. This authority is currently scheduled to sunset on January 1, 2027. This repeal would make VEPC's ability to award incentives permanent.

From the 2025 VEGI annual report, the value of incentives paid in 2023 was approximately \$2.2 million. This represents a tax expenditure because it is foregone revenue to the General Fund.<sup>2</sup> If the authority to award new incentives were to sunset, the \$2.2 million in incentives paid would be expected to decrease.

<sup>1</sup> *The Joint Fiscal Office (JFO) is a nonpartisan legislative office dedicated to producing unbiased fiscal analysis – this fiscal note is meant to provide information for legislative consideration, not to provide policy recommendations.*

*The full fiscal note history is available on the fiscal tab of the bill page on the General Assembly website and can be pulled up through a bill number search on the JFO page.*

<sup>2</sup> [https://legislature.vermont.gov/assets/Legislative-Reports/2025-VEGI-Annual-Report-FINAL.pdf?\\_gl=1\\*18bdjcz\\*\\_ga\\*NzEzMTM0OTY2LjE3Njc2Mjc4OTE.\\*\\_ga\\_V9WQH77KLW\\*cze3NzM2NzExOTAkbzQ5JGcxJHQxNzczNjcxMTk4JGo1MiRsMCRoMA](https://legislature.vermont.gov/assets/Legislative-Reports/2025-VEGI-Annual-Report-FINAL.pdf?_gl=1*18bdjcz*_ga*NzEzMTM0OTY2LjE3Njc2Mjc4OTE.*_ga_V9WQH77KLW*cze3NzM2NzExOTAkbzQ5JGcxJHQxNzczNjcxMTk4JGo1MiRsMCRoMA)

**Section 10: Culinary Institute Study**

Section 10 would task the Office of Workforce Strategy and Development to engage with stakeholders to determine how to best establish a new culinary institute in Vermont. The Office would be required to submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs by December 1, 2026. This section is not expected to have a fiscal impact.

**Section 11: Connecting Vermont to New York Study**

Section 11 would task the Vermont Association of Planning and Development Agencies, in consultation with stakeholders, to study short- and long-term solutions to connect the people and economies of Vermont and New York. The Association would be required to submit a report to the General Assembly by January 15, 2027. This section is not expected to have a fiscal impact.