

1 H.414

2 Introduced by Representative Zuckerman of Burlington

3 Referred to Committee on

4 Date:

5 Subject: Taxation; energy; public service; land use; Act 250; municipal zoning

6 Statement of purpose: This bill proposes to provide economic stimulus and

7 increase revenues and to exempt, from permitting requirements, the first 75

8 MW of wind generation and the first 50 MW of wood-based combined heat

9 and power facilities coming into service following enactment.

10 An act relating to economic stimulus and limited permit exemptions for  
11 wind generation and wood-based combined heat and power

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

13 \* \* \* Permitting Waivers \* \* \*

14 Sec. 1. 30 V.S.A. § 8010 is added to read:

15 § 8010. PERMITTING EXEMPTION; WIND; WOOD-BASED COMBINED

16 HEAT AND POWER

17 (a) For purposes of this section, “combined heat and power facility” means

18 a generator that sequentially produces both electric power and thermal energy

19 from woody biomass with a design system efficiency (the sum of full load

1 design thermal output and electric output divided by the heat input) of at least  
2 50 percent.

3 (b) Each of the following shall be exempt from any requirement to obtain a  
4 certificate of public good under section 248 of this title, a land use permit  
5 under 10 V.S.A. chapter 151, and a municipal land use permit under 24 V.S.A.  
6 chapter 117:

7 (1) The first 50 MW of combined heat and power facilities to come into  
8 service following enactment of this section.

9 (2) The first 75 MW of facilities that use wind to generate electricity to  
10 come into service following enactment of this section.

11 (c) By order issued no later than 30 days after enactment, the public service  
12 board shall establish a registry of facilities claiming exemption under this  
13 section and identify the information each such facility must provide to the  
14 registry. The department of public service shall maintain the registry.

15 (d) To qualify for exemption under this section, a proposed facility must  
16 comply with the following:

17 (1) Register with the department in accordance with the board's order  
18 issued under subsection (c) of this section.

19 (2) Come into service no later than September 30, 2010, if the facility  
20 uses wind to generate electricity.

1           (3) Come into service no later than September 30, 2011, if the facility is  
2 a combined heat and power facility.

3           (e) Once the capacity of combined heat and power facilities registered with  
4 the department under this section reaches 50 MW, no further combined heat  
5 and power facilities may qualify for exemption under this section.

6           (f) Once the capacity of wind generation facilities registered with the  
7 department under this section reaches 75 MW, no further combined heat and  
8 power facilities may qualify for exemption under this section.

9                           \* \* \* Gasoline and Diesel Fuel Tax Increases to

10   Support Infrastructure Bonds \* \* \*

11           Sec. 2. 23 V.S.A. § 3003(a) is amended to read:

12           (a) A tax of ~~25 cents~~ \$0.25 per gallon ~~and~~, a fee of ~~one cent~~ \$0.01 per  
13 gallon established pursuant to the provisions of 10 V.S.A. § 1942 ~~is, and a~~  
14 bond repayment assessment established by the motor fuels infrastructure  
15 assessment of \$0.05 are imposed on each gallon of fuel established pursuant to  
16 the provisions of 10 V.S.A. § 1942:

17                   (1) sold or delivered by a distributor; or

18                   (2) used by a user.

19           Sec. 3. 23 V.S.A. § 3106(a) is amended to read:

20           (a) Except for sales of motor fuels between distributors licensed in this  
21 state, which sales shall be exempt from the tax, in all cases not exempt from

1 the tax under the laws of the United States at the time of filing the report  
2 required by section 3108 of this title, each distributor shall pay to the  
3 commissioner a tax of \$0.19 per gallon plus a bond repayment assessment  
4 established by the motor fuels infrastructure assessment of \$0.05 per gallon  
5 upon each gallon of motor fuel sold by the distributor. The distributor shall  
6 also pay to the commissioner ~~a tax~~ taxes and assessments in the same amount  
7 upon each gallon of motor fuel used within the state by him or her.

8 \* \* \* Snelling Surtax \* \* \*

9 Sec. 4. INCOME TAX SURTAX

10 For taxable years beginning after December 21, 2008 but not after  
11 December 31, 2011, there is imposed a surtax on the amount of tax imposed  
12 under section 5822 of Title 32 as follows: a surtax of three percent of the  
13 taxpayer's federal income tax liability if any of the taxpayer's Vermont taxable  
14 income is taxed under section 5822 of Title 32 at 7.2 percent or 8.5 percent; a  
15 surtax of six percent of the taxpayer's federal income tax liability if any of the  
16 taxpayer's Vermont taxable income is taxed under section 5822 of Title 32 at  
17 8.5 percent or 9.0 percent; and a surtax of nine percent of the taxpayer's  
18 federal income tax liability if any of the taxpayer's Vermont taxable income is  
19 taxed under section 5822 of Title 32 at 9.5 percent.

1                                   \* \* \* One Percent Increase in Rooms Tax \* \* \*

2       Sec. 5. 32 V.S.A. § 9241(a) is amended to read:

3           (a) An operator shall collect a tax of ~~nine~~ ten percent of the rent of each  
4       occupancy, with one percent of the funds collected to be deposited in the rural  
5       heritage bond fund.

6       Sec. 6. 19 V.S.A. § 11f added to read:

7       § 11f. RURAL HERITAGE BOND FUND

8           (a) There is created a special account known as the rural heritage bond fund  
9       to consist of funds collected from the rural heritage rooms surtax and any other  
10       funds that may be appropriated by the general assembly. Interest from the  
11       fund shall be credited annually to the fund, and the amount in the account shall  
12       carry forward from year to year.

13           (b) Monies in the fund may be used as follows:

14               (1) To pay principal interest, and related costs on rural heritage bonds;  
15       and

16               (2) One-half of the excess revenue shall be used to fund grants and the  
17       other half of the excess shall be annually added to the rural heritage fund and  
18       used to make low-interest loans. The grants and low-interest loans from the  
19       rural heritage fund shall support: technical assistance, including nutrient  
20       management plans; capital improvements to accomplish business plans drafted  
21       through participation in the Vermont farm viability enhancement program;

1 capital improvements such as manure storage facilities; long-term product  
2 storage; value-added processing facilities; animal health programs; and  
3 funding for the conservation reserve enhancement program.

4 Sec. 7. EFFECTIVE DATES

5 (a) Secs. 1, 2, 3, and 4 of this act shall take effect on July 1, 2009.

6 (b) Sec. 5 of this act (rooms tax increased to ten percent) shall take effect  
7 on July 1, 2009, provided that receipts for occupancies reserved pursuant to a  
8 written contract entered into prior to May 1, 2009, and occurring prior to  
9 May 1, 2010, shall be taxed at the rate of nine percent.