

**SIDE-BY-SIDE COMPARISON OF S.220 - HOUSE AND SENATE ECONOMIC DEVELOPMENT BILLS
(2014)**

<u>Proposal</u>	<u>House Proposal of Amendment to S.220 (Draft 7.1)</u>	<u>S.220 As Passed Senate</u>
<p align="center">One Stop Shop Web Portal</p>	<p>Sec. 1. ONE-STOP SHOP WEB PORTAL</p> <p><u>(a) Purpose. The State of Vermont seeks to simplify and expedite the process for business creation and growth by providing:</u></p> <p><u>(1) a clear guide to resources and technical assistance for all phases of business development;</u></p> <p><u>(2) a directory of financial assistance, including grants, funding capital, tax credits, and incentives;</u></p> <p><u>(3) a directory of workforce development assistance, including recruiting, job postings, and training;</u></p> <p><u>(4) a link to centralized business services available from the Secretary of State, the Department of Labor, the Department of Taxes, and others; and</u></p> <p><u>(5) agency contacts and links for available services and resources.</u></p> <p><u>(b) Administration. On or before June 30, 2015, the Secretary of State, Department of Taxes, Department of Labor, the Vermont Attorney General, the Agency of Commerce and Community Development, and the Agency of Administration shall coordinate with other relevant agencies and departments within State government and outside partners, including regional development corporations, regional planning commissions, and small business development centers, to provide comprehensive business services, regional coaching teams, print materials, other outreach, and a “One-Stop Shop” website, consistent with the following timeline:</u></p> <p><u>(1) Phase 1. Complete necessary partner outreach and collaboration and an inventory of existing websites, determine the appropriate content to be included on the One-Stop website, and update current websites to include links to State agencies and departments with regulatory oversight and authority over Vermont businesses.</u></p>	<p>Sec. 1. ONE STOP SHOP WEB PORTAL</p> <p><u>(a) In order to simplify the process for business creation and growth, the Office of the Secretary of State, Department of Taxes, Department of Labor, the Vermont Attorney General, the Agency of Commerce and Community Development, and the Agency of Administration have formed a Business Portal Committee to create an online “one-stop shop” for business registration, business entity creation, and registration compliance.</u></p> <p><u>(b) On or before January 15, 2015, the Business Portal Committee shall report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development to inform the committees of the status of the project and a timeline for its completion.</u></p>

	<p><u>(2) Phase 2. Edit and organize the content to be included on the One-Stop website.</u></p> <p><u>(3) Phase 3. Complete the design and mapping of the One-Stop website.</u></p> <p><u>(4) Phase 4. Complete a communications and outreach plan with a final funding proposal for the project.</u></p>	
<p>Vermont Enterprise Fund</p>	<p>Sec. 1a. 32 V.S.A. § 136 is added to read: <u>§ 136. VERMONT ENTERPRISE FUND</u></p> <p><u>(a) There is created a Vermont Enterprise Fund, the sums of which may be used by the Governor, with the approval of the Emergency Board, for the purpose of making economic and financial resources available to businesses facing circumstances that necessitate State government support and response more rapidly than would otherwise be available from, or that would be in addition to, other economic incentives.</u></p> <p><u>(b)(1) The Fund shall be administered by the Commissioner of Finance and Management as a special fund under the provisions of chapter 7, subchapter 5 of this title.</u></p> <p><u>(2) The Fund shall contain any amounts transferred or appropriated to it by the General Assembly.</u></p> <p><u>(3) Interest earned on the Fund and any balance remaining at the end of the fiscal year shall remain in the Fund.</u></p> <p><u>(4) The Commissioner shall maintain records that indicate the amount of money in the Fund at any given time.</u></p> <p><u>(c) The Governor is authorized to use amounts available in the Fund to offer economic and financial resources to an eligible business pursuant to this section, subject to approval by the Emergency Board as provided in subsection (e) of this section.</u></p> <p><u>(d) To be eligible for an investment through the Fund, the Governor shall determine that a business:</u></p> <p><u>(1) adequately demonstrates:</u></p> <p><u>(A) a substantial statewide or regional economic or employment impact; or</u></p>	

	<p><u>(B) approval or eligibility for other economic development incentives and programs offered by the State of Vermont; and</u></p> <p><u>(2) is experiencing one or more of the following circumstances:</u></p> <p><u>(A) a merger or acquisition may cause the closing of all or a portion of a Vermont business, or closure or relocation outside Vermont will cause the loss of employment in Vermont;</u></p> <p><u>(B) a prospective purchaser is considering the acquisition of an existing business in Vermont;</u></p> <p><u>(C) an existing employer in Vermont, which is a division or subsidiary of a multistate or multinational company, may be closed or have its employment significantly reduced; or</u></p> <p><u>(D) is considering Vermont for relocation or expansion.</u></p> <p><u>(e)(1) Any economic and financial resources offered by the Governor under this section must be approved by the Emergency Board before an eligible business may receive assistance from the Fund.</u></p> <p><u>(2) Subject to approval by the President Pro Tempore of the Senate and the Speaker of the House of Representatives, respectively, the Board shall invite the Chair of the Senate Committee on Economic Development, Housing and General Affairs and the Chair of the House Committee on Commerce and Economic Development to participate in Board deliberations under this section in an advisory capacity.</u></p> <p><u>(3) The Governor, or his or her designee, shall present to the Emergency Board for its approval:</u></p> <p><u>(A) information on the company;</u></p> <p><u>(B) the circumstances supporting the offer of economic and financial resources;</u></p> <p><u>(C) a summary of the economic activity proposed or that would be foregone;</u></p> <p><u>(D) other state incentives and programs offered or involved;</u></p> <p><u>(E) the economic and financial resources offered by the Governor requiring use of monies from the Fund;</u></p> <p><u>(F) employment, investment, and economic impact of Fund support on the employer, including a fiscal cost-benefit analysis; and</u></p>	
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	<p><u>(G) terms and conditions of the economic and financial resources offered, including:</u></p> <ul style="list-style-type: none"><u>(i) the total dollar amount and form of the economic and financial resources offered;</u><u>(ii) employment creation, employment retention, and capital investment performance requirements; and</u><u>(iii) disallowance and recapture provisions.</u> <p><u>(f)(1) Proprietary business information and materials or other confidential financial information submitted by a business to the State, or submitted by the Governor to the Emergency Board, for the purpose of negotiating or approving economic and financial resources under this section shall not be subject to public disclosure under the State's public records law in 1 V.S.A. chapter 5, but shall be available to the Joint Fiscal Office or its agent upon authorization of the Chair of the Joint Fiscal Committee, and shall also be available to the auditor of accounts in connection with the performance of duties under section 163 of this title; provided, however, that the Joint Fiscal Office or its agent, and the Auditor of Accounts, shall not disclose, directly or indirectly, to any person any proprietary business or other confidential information or any information which would identify a business except in accordance with a judicial order or as otherwise specifically provided by law.</u></p> <p><u>(2) Nothing in this subsection shall be construed to prohibit the publication of statistical information, rulings, determinations, reports, opinions, policies, or other information so long as the data are disclosed in a form that cannot identify or be associated with a particular business.</u></p> <p><u>(g) On or before January 15 of each year following a year in which economic and financial resources were made available pursuant to this section, the Secretary of Commerce and Community Development shall submit to the House Committees on Commerce and Economic Development and on Ways and Means, and to the Senate Committees on Finance and on Economic Development, Housing and General Affairs, a report on the resources made available pursuant to this section, including:</u></p> <ul style="list-style-type: none"><u>(1) the name of the recipient;</u>	
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	<p>(2) <u>the amount and type of the resources;</u> (3) <u>the aggregate number of jobs created or retained as a result of the resources;</u> (4) <u>a statement of costs and benefits to the State; and</u> (5) <u>whether any offer of resources was disallowed or recaptured.</u></p>	
<p>Vermont Enterprise Fund FY 2014 Funding</p>	<p>Sec. 1b. CONTINGENT FISCAL YEAR 2014 APPROPRIATION <u>Prior to any transfer pursuant to Sec. B 1104 of Act 50 of 2013, the first \$5,000,000.00 of FY 2014 funds that would otherwise be transferred to the General Fund Balance Reserve as specified by 32 V.S.A. § 308c shall be appropriated as follows:</u> (1) <u>\$500,000.00 to the Vermont Economic Development Authority for loan loss reserves within the Vermont Entrepreneurial Lending Program for the purposes specified in 10 V.S.A. § 280bb.</u> (2) <u>\$4,500,000.00 to the Vermont Enterprise Investment Fund for the purposes specified in 32 V.S.A. § 136.</u></p>	
<p>Vermont Entrepreneurial Lending Program</p>	<p>Sec. 2. 10 V.S.A. chapter 12 is amended to read: CHAPTER 12. VERMONT ECONOMIC DEVELOPMENT AUTHORITY * * * Subchapter 12. Technology Loan <u>Vermont Entrepreneurial Lending Program</u> § 280aa. FINDINGS AND PURPOSE (a)(1) Technology-based companies <u>Vermont-based businesses in seed, start-up, and growth-stages</u> are a vital source of innovation, employment, and economic growth in Vermont. The continued development and success of this increasingly important sector of Vermont's economy <u>these businesses</u> is dependent upon the availability of flexible, risk-based capital. (2) Because the primary assets of technology-based companies <u>sometimes Vermont-based businesses in seed, start-up, and growth-stages</u> often consist almost entirely of intellectual property or insufficient tangible</p>	<p>Sec. 2. 10 V.S.A. chapter 12 is amended to read: CHAPTER 12. VERMONT ECONOMIC DEVELOPMENT AUTHORITY * * * Subchapter 12. Technology Loan <u>Vermont Entrepreneurial Lending Program</u> § 280aa. FINDINGS AND PURPOSE (a)(1) Technology-based companies <u>Vermont-based seed, start-up, and early growth-stage businesses</u> are a vital source of innovation, employment, and economic growth in Vermont. The continued development and success of this increasingly important sector of Vermont's economy <u>these businesses</u> is dependent upon the availability of flexible, risk-based capital. (2) Because the primary assets of technology-based companies <u>sometimes seed, start-up, and early growth-stage businesses often</u> consist almost entirely of intellectual property or insufficient tangible assets to support conventional lending, such <u>these</u> companies frequently do not have access to conventional means of raising capital, such</p>

assets to support conventional lending, ~~such these~~ companies frequently ~~do~~ may not have access to conventional means of raising capital, such as asset-based bank financing.

(b) To support the growth of ~~technology-based companies~~ Vermont-based businesses in seed, start-up, and growth-stages and the resultant creation of high-wage higher wage employment in Vermont, ~~a technology loan program is established under this subchapter~~ the General Assembly hereby creates in this subchapter the Vermont Entrepreneurial Lending Program to support the growth and development of seed, start-up, and growth-stage businesses.

§ 280bb. TECHNOLOGY LOAN VERMONT ENTREPRENEURIAL LENDING PROGRAM

(a) There is created ~~a technology (TECH) loan program~~ the Vermont Entrepreneurial Lending Program to be administered by the Vermont ~~economic development authority~~ Economic Development Authority. The ~~program~~ Program shall seek to meet the working capital and capital-asset financing needs of ~~technology-based companies~~ start-up, early stage, and growth-stage businesses in Vermont. The Program shall specifically seek to fulfill capital requirement needs that are unmet in Vermont, including:

- (1) loans up to \$100,000.00 to manufacturing businesses and software developers with innovative products that typically reflect long-term, organic growth;
- (2) loans up to \$1,000,000.00 in growth-stage companies who do not meet the underwriting criteria of other public and private entrepreneurial financing sources; and
- (3) loans to businesses that are unable to access adequate capital resources because the primary assets of these businesses are typically intellectual property or similar nontangible assets.

(b) The economic development authority Authority shall ~~establish such~~ adopt regulations, policies, and procedures for the ~~program~~ Program as are necessary to ~~carry out the purposes of this subchapter~~. The authority's

as asset-based bank financing.

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- (1) loans up to \$100,000.00 for manufacturing businesses with innovative products that typically reflect long-term growth;
- (2) loans from \$250,000.00 through \$1,000,000.00 to early growth-stage companies who do not meet the current underwriting criteria of other public and private lending institutions; and
- (3) loans to businesses that are unable to access adequate capital resources because the primary assets of these businesses are typically intellectual property or similar nontangible assets.

(b) The economic development authority Authority shall ~~establish such~~ adopt regulations, policies, and procedures for the ~~program~~ Program as are necessary to ~~carry out the purposes of this subchapter~~. The authority's lending criteria shall include ~~consideration of in-state competition and whether a company has made reasonable efforts to secure capital in the private sector~~ increase the amount of investment funds

	<p>lending criteria shall include consideration of in-state competition and whether a company has made reasonable efforts to secure capital in the private sector <u>increase the amount of investment funds available to Vermont businesses whose capital requirements are not being met by conventional lending sources.</u></p> <p><u>(c) When considering entrepreneurial lending through the Program, the Authority shall give additional consideration and weight to an application of a business whose business model and practices will have a demonstrable effect in achieving other public policy goals of the State, including:</u></p> <p><u>(1) The business will create jobs in strategic sectors such as the knowledge-based economy, renewable energy, advanced manufacturing, wood products manufacturing, and value-added agricultural processing.</u></p> <p><u>(2) The business is located in a designated downtown, village center, growth center, industrial park, or other significant geographic location recognized by the State.</u></p> <p><u>(3) The business adopts energy and thermal efficiency practices in its operations or otherwise operates in a way that reflects a commitment to green energy principles.</u></p> <p><u>(4) The business will create jobs that pay a livable wage and significant benefits to Vermont employees</u></p> <p><u>(d) The Authority shall include provisions in the terms of an loan made under the Program to ensure that a loan recipient shall maintain operations within the State for a minimum of five years from the date on which the recipient receives the loan funds from the Authority or shall otherwise be required to repay the outstanding funds in full.</u></p> <p style="text-align: center;">* * *</p>	<p><u>available to Vermont businesses whose capital requirements are not being met by conventional lending sources.</u></p> <p><u>(c) When considering entrepreneurial lending through the Program, the Authority shall give additional consideration and weight to an application of a business whose business model and practices will have a demonstrable effect in achieving other public policy goals of the State, including:</u></p> <p><u>(1) The business will create jobs in strategic sectors such as the knowledge-based economy, renewable energy, advanced manufacturing, wood products manufacturing, and value-added agricultural processing.</u></p> <p><u>(2) The business is located in a designated downtown, village center, growth center, or other significant geographic location recognized by the State.</u></p> <p><u>(3) The business adopts energy and thermal efficiency practices in its operations or otherwise operates in a way that reflects a commitment to green energy principles.</u></p> <p><u>(4) The business will create jobs that pay a livable wage and significant benefits to Vermont employees.</u></p> <p><u>(d) The Authority shall include provisions in the terms of an entrepreneurial loan made under the Program to ensure that an entrepreneurial loan recipient shall maintain operations within the State for a minimum of five years from the date on which the recipient receives the entrepreneurial loan funds from the Authority.</u></p> <p style="text-align: center;">* * *</p>
<p>Vermont Entrepreneurial Lending Program - Capitalization</p>	<p>Sec. 3. VERMONT ENTREPRENEURIAL LENDING PROGRAM; LOAN LOSS RESERVE FUNDS; CAPITALIZATION; PRIVATE CAPITAL; APPROPRIATION</p> <p><u>(a) The Vermont Economic Development Authority shall capitalize loan loss reserves for the Vermont Entrepreneurial Lending Program</u></p>	<p>Sec. 3. VERMONT ENTREPRENEURIAL LENDING PROGRAM; LOAN LOSS RESERVE FUNDS; CAPITALIZATION; PRIVATE CAPITAL; APPROPRIATION</p>

	<p>created in 10 V.S.A. § 280bb with the following funding from the following sources:</p> <p>(1) up to \$1,000,000.00 from Authority funds or eligible federal funds currently administered by the Authority; and</p> <p>(2) Fiscal Year 2014 funds appropriated to the Program pursuant to Sec. 1b. of this Act.</p> <p>(b) The Authority shall use the funds in subsection (a) of this section solely for the purpose of establishing and maintaining loan loss reserves to guarantee loans made pursuant to 10 V.S.A. § 280bb.</p>	<p>(a) The Vermont Economic Development Authority shall capitalize loan loss reserves for the Vermont Entrepreneurial Lending Program created in 10 V.S.A. § 280bb with up to \$1,000,000.00 from Authority funds or eligible federal funds currently administered by the Authority.</p> <p>(b) The Vermont Economic Development Authority shall use the funds allocated to the Program, as referenced in subsection (a) of this section, solely for the purpose of establishing and maintaining loan loss reserves to guarantee entrepreneurial loans.</p>
<p>Vermont Agricultural Credit Program; addition of forestry and forest products</p>	<p>Sec. 4. 10 V.S.A. chapter 16A is amended to read:</p> <p>CHAPTER 16A. VERMONT AGRICULTURAL CREDIT PROGRAM</p> <p>§ 374a. CREATION OF THE VERMONT AGRICULTURAL CREDIT PROGRAM</p> <p style="text-align: center;">* * *</p> <p>(b) No borrower shall be approved for a loan from the corporation that would result in the aggregate principal balances outstanding of all loans to that borrower exceeding the then-current maximum Farm Service Agency loan guarantee limits, or \$2,000,000.00, whichever is greater.</p> <p>§ 374b. DEFINITIONS</p> <p>As used in this chapter:</p> <p>(1) “Agricultural facility” means land and rights in land, buildings, structures, machinery, and equipment which is used for, or will be used for producing, processing, preparing, packaging, storing, distributing, marketing, or transporting agricultural products which have been primarily produced in this state <u>State</u>, and working capital reasonably required to operate an agricultural facility.</p> <p>(2) “Agricultural land” means real estate capable of supporting</p>	

	<p>commercial farming <u>or forestry, or both.</u></p> <p>(3) “Agricultural products” mean crops, livestock, forest products, and other farm <u>or forest</u> commodities produced as a result of farming <u>or forestry</u> activities.</p> <p>(4) “Farm ownership loan” means a loan to acquire or enlarge a farm or agricultural facility, to make capital improvements including construction, purchase, and improvement of farm and agricultural facility buildings that can be made fixtures to the real estate, to promote soil and water conservation and protection, and to refinance indebtedness incurred for farm ownership or operating loan purposes, or both.</p> <p>(5) “Authority” means the Vermont economic development authority <u>Economic Development Authority.</u></p> <p>(6) “Cash flow” means, on an annual basis, all income, receipts, and revenues of the applicant or borrower from all sources and all expenses of the applicant or borrower, including all debt service and other expenses.</p> <p>(7) “Farmer” means an individual directly engaged in the management or operation of an agricultural facility or farm operation for whom the agricultural facility or farm operation constitutes two or more of the following:</p> <ul style="list-style-type: none"> (A) is or is expected to become a significant source of the farmer’s income; (B) the majority of the farmer’s assets; and (C) an occupation <u>in which</u> the farmer is actively engaged in, either on a seasonal or year-round basis. <p>(8) “Farm operation” shall mean the cultivation of land or other uses of land for the production of food, fiber, horticultural, <u>silvicultural</u>, orchard, maple syrup, Christmas trees, <u>forest products</u>, or forest crops; the raising, boarding, and training of equines, and the raising of livestock; or any combination of the foregoing activities. Farm operation also includes the storage, preparation, retail sale, and transportation of agricultural <u>or forest</u> commodities accessory to the cultivation or use of such land.</p> <p style="text-align: center;">* * *</p>	
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<p>Connecting Capital Providers and Entrepreneurs</p>	<p>Sec. 5. NETWORKING INITIATIVES; APPROPRIATION</p> <p><u>(a) The Agency of Commerce and Community Development shall support networking events offered by one or more regional economic development providers designed to connect capital providers with one another or with Vermont entrepreneurs, or both, and shall take steps to facilitate outreach and matchmaking opportunities between investors and entrepreneurs.</u></p> <p><u>(b) The Agency shall submit to the House Committee on Commerce and Economic Development and to the Senate Committee on Economic Development, Housing and General Affairs:</u></p> <p><u>(1) a status report on or before January 15, 2015 concerning the structure of networking initiatives, the relevant provisions of governing performance contracts, and the benchmarks and measures of performance; and</u></p> <p><u>(2) a report on or before December 15, 2015 concerning the outcomes of and further recommendations for the program.</u></p>	
<p>Downtown Tax Credits</p>	<p>Sec. 6. 32 V.S.A. chapter 151, subchapter 11J is amended to read:</p> <p style="text-align: center;">Subchapter 11J. Vermont Downtown and Village Center Tax Credit Program</p> <p>§ 5930aa. DEFINITIONS</p> <p>As used in this subchapter:</p> <p style="text-align: center;">* * *</p> <p>(3) “Qualified code or <u>technology</u> improvement project” means a project:</p> <p>(A)(i) To <u>to</u> install or improve platform lifts suitable for transporting personal mobility devices, elevators, sprinkler systems, and capital improvements in a qualified building, and the installations or improvements are required to bring the building into compliance with the statutory requirements and rules regarding fire prevention, life safety, and electrical, plumbing, and accessibility codes as determined by the department of public safety. <u>Department of Public Safety; or</u></p> <p>(ii) <u>to install or improve data or network wiring, or heating,</u></p>	

	<p><u>ventilating, or cooling systems reasonably related to data or network installations or improvements, in a qualified building, provided that a professional engineer licensed under 26 V.S.A. chapter 20 certifies as to the fact and cost of the installation or improvement;</u></p> <p>(B) To <u>to</u> abate lead paint conditions or other substances hazardous to human health or safety in a qualified building; or</p> <p>(C) To <u>to</u> redevelop a contaminated property in a designated downtown or village center under a plan approved by the Secretary of Natural Resources pursuant to 10 V.S.A. § 6615a.</p> <p>(4) “Qualified expenditures” means construction-related expenses of the taxpayer directly related to the project for which the tax credit is sought but excluding any expenses related to a private residence.</p> <p>(5) “Qualified façade improvement project” means the rehabilitation of the façade of a qualified building that contributes to the integrity of the designated downtown or designated village center. Façade improvements to qualified buildings listed, or eligible for listing, in the State or National Register of Historic Places must be consistent with Secretary of the Interior Standards, as determined by the Vermont Division for Historic Preservation.</p> <p>(6) “Qualified historic rehabilitation project” means an historic rehabilitation project that has received federal certification for the rehabilitation project.</p> <p>(7) “Qualified project” means a qualified code <u>or technology improvement, qualified façade improvement, qualified technology infrastructure project, or qualified historic rehabilitation project</u> as defined by this subchapter.</p> <p>(8) “State Board” means the Vermont Downtown Development Board established pursuant to 24 V.S.A. chapter 76A.</p> <p>§ 5930bb. ELIGIBILITY AND ADMINISTRATION</p> <p>(a) Qualified applicants may apply to the State Board to obtain the tax credits provided by this subchapter for qualified code improvement, façade improvement, or historic rehabilitation projects <u>a qualified project</u> at any time before one year after completion of the qualified project.</p>	
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	<p>(b) To qualify for any of the tax credits under this subchapter, expenditures for the qualified project must exceed \$5,000.00.</p> <p>(c) Application shall be made in accordance with the guidelines set by the State Board.</p> <p>(d) Notwithstanding any other provision of this subchapter, qualified applicants may apply to the State Board at any time prior to June 30, 2013 to obtain a tax credit not otherwise available under subsections 5930cc(a)-(c) of this title of 10 percent of qualified expenditures resulting from damage caused by a federally declared disaster in Vermont in 2011. The credit shall only be claimed against the taxpayer's State individual income tax under section 5822 of this title. To the extent that any allocated tax credit exceeds the taxpayer's tax liability for the first tax year in which the qualified project is completed, the taxpayer shall receive a refund equal to the unused portion of the tax credit. If within two years after the date of the credit allocation no claim for a tax credit or refund has been filed, the tax credit allocation shall be rescinded and recaptured pursuant to subdivision 5930ee(6) of this title. The total amount of tax credits available under this subsection shall not be more than \$500,000.00 and shall not be subject to the limitations contained in subdivision 5930ee(2) of this subchapter.</p> <p>§ 5930cc. DOWNTOWN AND VILLAGE CENTER PROGRAM TAX CREDITS</p> <p>(a) Historic rehabilitation tax credit. The qualified applicant of a qualified historic rehabilitation project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's state <u>State</u> individual income tax, corporate income tax, or bank franchise or insurance premiums tax liability a credit of 10 percent of qualified rehabilitation expenditures as defined in the Internal Revenue Code, 26 U.S.C. § 47(c), properly chargeable to the federally certified rehabilitation.</p> <p>(b) Façade improvement tax credit. The qualified applicant of a qualified façade improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, state <u>State</u> corporate income tax, or bank franchise or insurance</p>	
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	<p>premiums tax liability a credit of 25 percent of qualified expenditures up to a maximum tax credit of \$25,000.00.</p> <p>(c) Code improvement tax credit. The qualified applicant of a qualified code <u>or technology</u> improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of \$12,000.00 for installation or improvement of a platform lift, a maximum tax credit of \$50,000.00 for installation or improvement of an elevator, a maximum tax credit of \$50,000.00 for installation or improvement of a sprinkler system, <u>a maximum tax credit of \$30,000.00 for the combined costs of installation or improvement of data or network wiring or a heating, ventilating, or cooling system,</u> and a maximum tax credit of \$25,000.00 for the combined costs of all other qualified code improvements.</p> <p style="text-align: center;">* * *</p>	
<p>Implementing State Energy Policy; Manufacturing</p>	<p>Sec. 7. 30 V.S.A. § 218e is added to read: <u>§ 218e. IMPLEMENTING STATE ENERGY POLICY;</u> <u>MANUFACTURING</u></p> <p><u>To give effect to the policies of section 202a of this title to provide reliable and affordable energy and assure the State's economic vitality, it is critical to retain and recruit manufacturing and other businesses and to consider the impact on manufacturing and other businesses when issuing orders, adopting rules, and making other decisions affecting the cost and reliability of electricity and other fuels. Implementation of the State's energy policy should:</u></p> <p style="padding-left: 40px;"><u>(1) encourage recruitment and retention of employers providing high-quality jobs and related economic investment and support the State's economic welfare; and</u></p> <p style="padding-left: 40px;"><u>(2) appropriately balance the objectives of this section with the other policy goals and criteria established in this title.</u></p>	

<p>Electricity Rates for Businesses</p>	<p><u>Sec. 7a. INVESTIGATION; ELECTRICITY COSTS; MANUFACTURING</u></p> <p><u>(a) The Commissioner of Public Service and the Secretary of Commerce and Community Development, in consultation with the Public Service Board, a private organization that represents the interests of manufacturers, a cooperative electric company, an efficiency utility, a shareholder-owned utility, the Vermont Public Power Supply Authority (VPPSA), a municipal utility that is not a member of VPPSA, and the Vermont Electric Power Company (VELCO), shall conduct an investigation of how best to advance the public good through consideration of the competitiveness of Vermont’s industrial or manufacturing businesses with regard to electricity costs.</u></p> <p><u>(b) In conducting the investigation required by this section, the Commissioner and Secretary shall consider:</u></p> <p><u>(1) how best to incorporate into rate design proceedings the impact of electricity costs on business competitiveness and the identification of the costs of service incurred by businesses;</u></p> <p><u>(2) with regard to the energy efficiency programs established under section 209 of this title, potential changes to their delivery, funding, financing, and participation requirements;</u></p> <p><u>(3) the history and outcome of any evaluations of the Energy Savings Account or Customer Credit programs, as well as best practices for customer self-directed energy efficiency programs;</u></p> <p><u>(4) the history and outcome of any evaluations of retail choice programs or policies, as related to business competitiveness, that have been undertaken in Vermont and in other jurisdictions;</u></p> <p><u>(5) any other programs or policies the Commissioner and the</u></p>	<p><u>Sec. 5. COMMISSIONER OF PUBLIC SERVICE STUDY; BUSINESS ELECTRICITY RATES</u></p> <p><u>(a) The Commissioner of Public Service, in consultation with the Public Service Board and the Secretary of Commerce and Community Development, shall conduct a study of how best to advance the public good through consideration of the competitiveness of Vermont’s energy-intensive businesses with regard to electricity costs. As used in this section, “energy-intensive business” or “business” means a manufacturer, a business that uses 1,000 MWh or more of electricity per year, or a business that meets another energy threshold deemed more appropriate by the Commissioner.</u></p> <p><u>(b) In conducting the study required by this section, the Commissioner shall consider:</u></p> <p><u>(1) how best to incorporate into rate design proceedings the impact of electricity costs on business competitiveness and the identification of the costs of service incurred by businesses;</u></p> <p><u>(2) with regard to the energy efficiency programs established under 30 V.S.A. § 209, potential changes to their delivery, funding, financing, and participation requirements;</u></p> <p><u>(3) the history and outcome of any evaluations of the Energy Savings Account or Customer Credit programs, as well as best practices for customer self-directed energy efficiency programs;</u></p> <p><u>(4) the history and outcome of any evaluations of retail choice programs or policies, as they relate to business competitiveness, that have been undertaken in Vermont and in other jurisdictions;</u></p> <p><u>(5) any other programs or policies the Commissioner deems relevant; and</u></p>
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	<p>Secretary deem relevant;</p> <p><u>(6) whether and to what extent any programs or policies considered by the Commissioner and the Secretary under this section would impose cost shifts onto other customers, result in stranded costs (costs that cannot be recovered by a regulated utility due to a change in regulatory structure or policy), or conflict with renewable energy requirements in Vermont and, if so, whether such programs or policies would nonetheless promote the public good;</u></p> <p><u>(7) whether and to what extent costs have shifted to residential and business ratepayers following the loss of large utility users, and potential scenarios for additional cost shifts of this type; and</u></p> <p><u>(8) the potential benefits and potential cost shift to residential and business ratepayers if a large utility user undertakes efficiency measures and thereby reduces its share of fixed utility costs.</u></p> <p><u>(c) In conducting the investigation required by this section, the Commissioner and Secretary shall provide the following persons and entities an opportunity for written and oral comments:</u></p> <p><u>(1) consumer and business advocacy groups;</u></p> <p><u>(2) regional development corporations and regional planning commissions; and</u></p> <p><u>(3) any other person or entity as determined by the Commissioner and Secretary.</u></p> <p><u>(d) On or before December 15, 2014, the Commissioner and Secretary shall provide a status report to the General Assembly of its findings and recommendations regarding regulatory or statutory changes that would reduce energy costs for Vermont businesses and promote the public good. On or before December 15, 2015, the Commissioner and Secretary shall provide a final report to the General Assembly of such findings and recommendations.</u></p>	<p><u>(6) whether and to what extent any programs or policies considered by the Commissioner under this section would impose cost shifts onto other customers, result in stranded costs (costs that cannot be recovered by a regulated utility due to a change in regulatory structure or policy), or conflict with renewable energy requirements in Vermont.</u></p> <p><u>(c) In conducting the study required by this section, the Commissioner shall provide the following persons and entities an opportunity for written and oral comments:</u></p> <p><u>(1) consumer and business advocacy groups;</u></p> <p><u>(2) regional development corporations; and</u></p> <p><u>(3) any other person or entity as determined by the Commissioner.</u></p> <p><u>(d) On or before December 15, 2014, the Commissioner shall provide a status report to the General Assembly of his or her findings regarding regulatory or statutory changes that would reduce electric energy costs for Vermont businesses and promote the public good. On or before December 15, 2015, the Commissioner shall provide a final report to the General Assembly of such findings and recommendations.</u></p>
<p>Domestic Export Program</p>	<p>Sec. 8. DOMESTIC MARKET ACCESS PROGRAM FOR VERMONT AGRICULTURE AND FOREST PRODUCTS</p> <p>(a) The Secretary of Agriculture, Food and Markets, in collaboration</p>	<p>Sec. 6. DOMESTIC MARKET ACCESS PROGRAM FOR VERMONT AGRICULTURE AND FOREST PRODUCTS</p>

	<p><u>with the Agency of Commerce and Community Development and the Chief Marketing Officer, shall create a Domestic Export Program Pilot Project within the “Made in Vermont” designation program, the purpose of which shall be to:</u></p> <p><u>(1) connect Vermont producers with brokers, buyers, and distributors in other U.S. state and regional markets,</u></p> <p><u>(2) provide technical and marketing assistance to Vermont producers to convert these connections into increased sales and sustainable commercial relationships; and</u></p> <p><u>(3) provide one-time matching grants of up to \$2,000.00 per business to attend trade shows and similar events to expand producers’ market presence in other U.S. states.</u></p> <p><u>(b) There is appropriated in Fiscal Year 2015 from the General Fund to the Agency of Agriculture, Food and Markets the amount of \$75,000.00 to implement the provisions of this section.</u></p> <p><u>(c) The Secretary shall collect data on the activities and outcomes of the pilot project authorized under this section and shall report his or her findings and recommendations for further action on or before January 15, 2015, to the House Committees on Agriculture and on Commerce and Economic Development and to the Senate Committees on Agriculture and on Economic Development, Housing and General Affairs.</u></p>	<p><u>The Secretary of Agriculture, Food and Markets, in collaboration with the Agency of Commerce and Community Development and the Chief Marketing Officer, may create a Domestic Export Program Pilot Project within the “Made in Vermont” designation program, the purpose of which shall be to connect Vermont producers with brokers, buyers, and distributors in other U.S. state and regional markets, and to provide technical and marketing assistance to Vermont producers to convert these connections into increased sales and sustainable commercial relationships.</u></p>
<p>Penalties for Computer Crimes</p>	<p>Sec. 9. 13 V.S.A. chapter 87 is amended to read:</p> <p style="text-align: center;">CHAPTER 87. COMPUTER CRIMES</p> <p style="text-align: center;">* * *</p> <p>§ 4104. ALTERATION, DAMAGE, OR INTERFERENCE</p> <p>(a) A person shall not intentionally and without lawful authority, alter, damage, or interfere with the operation of any computer, computer system, computer network, computer software, computer program, or data contained in such computer, computer system, computer program, or computer network.</p> <p>(b) Penalties. A person convicted of violating this section shall be:</p> <p>(1) if the damage or loss does not exceed \$500.00 for a first offense, imprisoned not more than one year or fined not more than \$500.00</p>	<p>Sec. 8. 13 V.S.A. chapter 87 is amended to read:</p> <p style="text-align: center;">CHAPTER 87. COMPUTER CRIMES</p> <p style="text-align: center;">* * *</p> <p>§ 4104. ALTERATION, DAMAGE, OR INTERFERENCE</p> <p>(a) A person shall not intentionally and without lawful authority, alter, damage, or interfere with the operation of any computer, computer system, computer network, computer software, computer program, or data contained in such computer, computer system, computer program, or computer network.</p> <p>(b) Penalties. A person convicted of violating this section shall be:</p> <p>(1) if the damage or loss does not exceed \$500.00 for a first offense, imprisoned not more than one year or fined not more than \$500.00 \$5,000.00, or both;</p> <p>(2) if the damage or loss does not exceed \$500.00 for a second or subsequent</p>

<p><u>\$5,000.00</u>, or both;</p> <p>(2) if the damage or loss does not exceed \$500.00 for a second or subsequent offense, imprisoned not more than two years or fined not more than \$1,000.00 <u>\$10,000.00</u>, or both; or</p> <p>(3) if the damage or loss exceeds \$500.00, imprisoned not more than 10 years or fined not more than \$10,000.00 <u>\$25,000.00</u>, or both.</p> <p>§ 4105. THEFT OR DESTRUCTION</p> <p>(a)(1) A person shall not intentionally and without claim of right deprive the owner of possession, take, transfer, copy, conceal, or retain possession of, or intentionally and without lawful authority, destroy any computer system, computer network, computer software, computer program, or data contained in such computer, computer system, computer program, or computer network.</p> <p>(2) Copying a commercially available computer program or computer software is not a crime under this section, provided that the computer program and computer software has a retail value of \$500.00 or less and is not copied for resale.</p> <p>(b) Penalties. A person convicted of violating this section shall be:</p> <p>(1) if the damage or loss does not exceed \$500.00 for a first offense, imprisoned not more than one year or fined not more than \$500.00 <u>\$5,000.00</u>, or both;</p> <p>(2) if the damage or loss does not exceed \$500.00 for a second or subsequent offense, imprisoned not more than two years or fined not more than \$1,000.00 <u>\$10,000.00</u>, or both; or</p> <p>(3) if the damage or loss exceeds \$500.00, imprisoned not more than 10 years or fined not more than \$10,000.00 <u>\$25,000.00</u>, or both.</p> <p>§ 4106. CIVIL LIABILITY</p> <p>A person damaged as a result of a violation of this chapter may bring a civil action against the violator for damages, <u>costs and fees including reasonable attorney's fees</u>, and such other relief as the court deems appropriate.</p> <p style="text-align: center;">* * *</p>	<p>offense, imprisoned not more than two years or fined not more than \$1,000.00 <u>\$10,000.00</u>, or both; or</p> <p>(3) if the damage or loss exceeds \$500.00, imprisoned not more than 10 years or fined not more than \$10,000.00 <u>\$100,000.00</u>, or both.</p> <p>§ 4105. THEFT OR DESTRUCTION</p> <p>(a)(1) A person shall not intentionally and without claim of right deprive the owner of possession, take, transfer, copy, conceal, or retain possession of, or intentionally and without lawful authority, destroy any computer system, computer network, computer software, computer program, or data contained in such computer, computer system, computer program, or computer network.</p> <p>(2) Copying a commercially available computer program or computer software is not a crime under this section, provided that the computer program and computer software has a retail value of \$500.00 or less and is not copied for resale.</p> <p>(b) Penalties. A person convicted of violating this section shall be:</p> <p>(1) if the damage or loss does not exceed \$500.00 for a first offense, imprisoned not more than one year or fined not more than \$500.00 <u>\$5,000.00</u>, or both;</p> <p>(2) if the damage or loss does not exceed \$500.00 for a second or subsequent offense, imprisoned not more than two years or fined not more than \$1,000.00 <u>\$10,000.00</u>, or both; or</p> <p>(3) if the damage or loss exceeds \$500.00, imprisoned not more than 10 years or fined not more than \$10,000.00 <u>\$100,000.00</u>, or both.</p> <p>§ 4106. CIVIL LIABILITY</p> <p>A person damaged as a result of a violation of this chapter may bring a civil action against the violator for damages, <u>costs, and fees, including reasonable attorney's fees</u>, and such other relief as the court deems appropriate.</p> <p style="text-align: center;">* * *</p>
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<p style="text-align: center;">Statute of Limitations for Misappropriation of Trade Secrets</p>	<p>Sec. 10. 12 V.S.A. § 523 is amended to read: § 523. TRADE SECRETS An action for misappropriation of trade secrets under 9 V.S.A. chapter 143 of Title 9 shall be commenced within three years after the cause of action accrues, and not after. The cause of action shall be deemed to accrue as of the date the misappropriation was discovered or reasonably should have been discovered.</p>	<p>Sec. 9. 12 V.S.A. § 523 is amended to read: § 523. TRADE SECRETS An action for misappropriation of trade secrets under 9 V.S.A. chapter 143 of Title 9 shall be commenced within three five years after the cause of action accrues, and not after. The cause of action shall be deemed to accrue as of the date the misappropriation was discovered or reasonably should have been discovered.</p>
<p style="text-align: center;">Protection of Trade Secrets</p>	<p>Sec. 11. 9 V.S.A. chapter 143 is amended to read: CHAPTER 143. TRADE SECRETS § 4601. DEFINITIONS As used in this chapter: (1) “Improper means” includes theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy, or espionage through electronic or other means. (2) “Misappropriation” means: (A) acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means; or (B) disclosure or use of a trade secret of another without express or implied consent by a person who: (i) used improper means to acquire knowledge of the trade secret; or (ii) at the time of disclosure or use, knew or had reason to know that his or her knowledge of the trade secret was: (I) derived from or through a person who had utilized improper means to acquire it; (II) acquired under circumstances giving rise to a duty to maintain its secrecy or limit its use; or (III) derived from or through a person who owed a duty to the person seeking relief to maintain its secrecy or limit its use; or (iii) before a material change of his or her position, knew or</p>	<p>Sec. 10. 9 V.S.A. chapter 143 is amended to read: CHAPTER 143. TRADE SECRETS § 4601. DEFINITIONS As used in this chapter: (1) “Improper means” includes theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy, or espionage through electronic or other means. (2) “Misappropriation” means: (A) acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means; or (B) disclosure or use of a trade secret of another without express or implied consent by a person who: (i) used improper means to acquire knowledge of the trade secret; or (ii) at the time of disclosure or use, knew or had reason to know that his or her knowledge of the trade secret was: (I) derived from or through a person who had utilized improper means to acquire it; (II) acquired under circumstances giving rise to a duty to maintain its secrecy or limit its use; or (III) derived from or through a person who owed a duty to the person seeking relief to maintain its secrecy or limit its use; or (iii) before a material change of his or her position, knew or had reason to know that it was a trade secret and that knowledge of it had been acquired by accident or mistake.</p>

<p>had reason to know that it was a trade secret and that knowledge of it had been acquired by accident or mistake.</p> <p>(3) “Trade secret” means information, including a formula, pattern, compilation, program, device, method, technique, or process, that:</p> <p>(A) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and</p> <p>(B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.</p> <p>§ 4602. INJUNCTIVE RELIEF</p> <p>(a) Actual <u>A court may enjoin actual</u> or threatened misappropriation may be enjoined of a trade secret. Upon application to the court, an injunction shall be terminated when the trade secret has ceased to exist, but the injunction may be continued for an additional reasonable period of time in order to eliminate commercial advantage that otherwise would be derived from the misappropriation.</p> <p>(b) In exceptional circumstances, an injunction may condition future use upon payment of a reasonable royalty for no longer than the period of time for which use could have been prohibited. Exceptional circumstances include, but are not limited to, a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation that renders a prohibitive injunction inequitable.</p> <p>(c) In appropriate circumstances, affirmative acts to protect a trade secret may be compelled by court order.</p> <p>§ 4603. DAMAGES</p> <p>(a)(1) Except to the extent that a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation renders a monetary recovery inequitable, a complainant is entitled to recover damages for misappropriation.</p> <p>(2) Damages can include both the actual loss caused by</p>	<p>(3) “Trade secret” means information, including a formula, pattern, compilation, program, device, method, technique, or process, that:</p> <p>(A) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and</p> <p>(B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.</p> <p>§ 4602. INJUNCTIVE RELIEF</p> <p>(a) Actual <u>A court may enjoin actual</u> or threatened misappropriation may be enjoined of a trade secret. Upon application to the court, an injunction shall be terminated when the trade secret has ceased to exist, but the injunction may be continued for an additional reasonable period of time in order to eliminate commercial advantage that otherwise would be derived from the misappropriation.</p> <p>(b) In exceptional circumstances, an injunction may condition future use upon payment of a reasonable royalty for no longer than the period of time for which use could have been prohibited. Exceptional circumstances include, but are not limited to, a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation that renders a prohibitive injunction inequitable.</p> <p>(c) In appropriate circumstances, affirmative acts to protect a trade secret may be compelled by court order.</p> <p>§ 4603. DAMAGES</p> <p>(a)(1) Except to the extent that a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation renders a monetary recovery inequitable, a complainant is entitled to recover damages for misappropriation.</p> <p>(2) Damages can include both the actual loss caused by misappropriation and the unjust enrichment caused by misappropriation that is not taken into account in</p>
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<p>misappropriation and the unjust enrichment caused by misappropriation that is not taken into account in computing actual loss.</p> <p>(3) In lieu of damages measured by any other methods, the damages caused by misappropriation may be measured by imposition of liability for a reasonable royalty for a misappropriator’s unauthorized disclosure or use of a trade secret.</p> <p><u>(4) A court shall award a substantially prevailing party his or her costs and fees, including reasonable attorney’s fees, in an action brought pursuant to this chapter.</u></p> <p>(b) If malicious misappropriation exists, the court may award punitive damages.</p> <p>§ 4605. PRESERVATION OF SECRECY</p> <p>In an action under this chapter, a court shall preserve the secrecy of an alleged trade secret by reasonable means, which may include granting protective orders in connection with discovery proceedings, holding in-camera hearings, sealing the records of the action, and ordering any person involved in the litigation not to disclose an alleged trade secret without prior court approval.</p> <p>§ 4607. EFFECT ON OTHER LAW</p> <p>(a) Except as provided in subsection (b) of this section, this chapter displaces conflicting tort, restitutionary, and any other law of this state providing civil remedies for misappropriation of a trade secret.</p> <p>(b) This chapter does not affect:</p> <p>(1) contractual remedies, whether or not based upon misappropriation of a trade secret;</p> <p>(2) other civil remedies that are not based upon misappropriation of a trade secret; or</p> <p>(3) criminal remedies, whether or not based upon misappropriation of a trade secret.</p> <p style="text-align: center;">* * *</p>	<p>computing actual loss.</p> <p>(3) In lieu of damages measured by any other methods, the damages caused by misappropriation may be measured by imposition of liability for a reasonable royalty for a misappropriator’s unauthorized disclosure or use of a trade secret.</p> <p><u>(4) A court shall award a successful complainant his or her costs and fees, including reasonable attorney’s fees, arising from a misappropriation of the complainant’s trade secret.</u></p> <p>(b) If malicious misappropriation exists, the court may award punitive damages.</p> <p>§ 4605. PRESERVATION OF SECRECY</p> <p>In an action under this chapter, a court shall preserve the secrecy of an alleged trade secret by reasonable means, which may include granting protective orders in connection with discovery proceedings, holding in-camera hearings, sealing the records of the action, and ordering any person involved in the litigation not to disclose an alleged trade secret without prior court approval.</p> <p>§ 4607. EFFECT ON OTHER LAW</p> <p>(a) Except as provided in subsection (b) of this section, this chapter displaces conflicting tort, restitutionary, and any other law of this state <u>State</u> providing civil remedies for misappropriation of a trade secret.</p> <p>(b) This chapter does not affect:</p> <p>(1) contractual remedies, whether or not based upon misappropriation of a trade secret;</p> <p>(2) other civil remedies that are not based upon misappropriation of a trade secret; or</p> <p>(3) criminal remedies, whether or not based upon misappropriation of a trade secret.</p> <p style="text-align: center;">* * *</p>
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<p>State Contracting; Intellectual Property, Etc.</p>	<p>Sec. 12. 3 V.S.A. § 346 is added to read: <u>§ 346. STATE CONTRACTING; INTELLECTUAL PROPERTY, SOFTWARE DESIGN, AND INFORMATION TECHNOLOGY</u> <u>(a) The Secretary of Administration shall include in Administrative Bulletin 3.5 a policy direction applicable to State procurement contracts that include services for the development of software applications, computer coding, or other intellectual property, which would allow the State of Vermont to grant permission to the contractor to use or own the intellectual property created under the contract for the contractor’s commercial purposes.</u> <u>(b) The Secretary may recommend contract provisions that authorize the State to negotiate with a contractor to secure license terms and license fees, royalty rights, or other payment mechanism for the contractor’s commercial use of intellectual property developed under a State contract.</u> <u>(c) If the Secretary authorizes a contractor to own intellectual property developed under a State contract, the Secretary may recommend language to ensure the State retains a perpetual, irrevocable, royalty-free, and fully paid right to continue to use the intellectual property.</u></p>	<p>Sec. 11. 3 V.S.A. § 346 is added to read: <u>§ 346. STATE CONTRACTING; INTELLECTUAL PROPERTY, SOFTWARE DESIGN, AND INFORMATION TECHNOLOGY</u> <u>(a) The Secretary of Administration shall include in Administrative Bulletin 3.5 a policy direction applicable to State procurement contracts that include services for the development of software applications, computer coding, or other intellectual property, which would allow the State of Vermont to grant permission to the contractor to use the intellectual property created under the contract for the contractor’s commercial purposes.</u> <u>(b) The Secretary may recommend contract provisions that authorize the State to negotiate with a contractor to secure license terms and license fees, royalty rights, or other payment mechanism for the contractor’s commercial use of intellectual property developed under a State contract.</u> <u>(c) If the Secretary authorizes a contractor to own intellectual property developed under a State contract, the Secretary shall recommend language to ensure the State retains a perpetual, irrevocable, royalty-free, and fully paid right to continue to use the intellectual property.</u></p>
<p>Study: Small Business Access to Capital</p>	<p>Sec. 13. SMALL BUSINESS ACCESS TO CAPITAL <u>(a) Crowdfunding Study. The Department of Financial Regulation shall study the opportunities and limitations for crowdfunding to increase access to capital for Vermont’s small businesses. On or before January 15, 2015, the Department shall report its findings and recommendations to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.</u> <u>(b) Small business issuer education and outreach. On or before January 15, 2015, the Department of Financial Regulation shall conduct at least two educational events to inform the legal, small business, and investor communities and other interested parties, of opportunities for</u></p>	

	<p><u>small businesses to access capital in Vermont, including, the Vermont Small Business Offering Exemption regulation and other securities registration exemptions.</u></p> <p><u>(c) Vermont Small Business Offering Exemption. The Commissioner of Financial Regulation shall exercise his or her rulemaking authority under 9 V.S.A. chapter 150 to review and revise the Vermont Small Business Offering Exemption and any other state securities exemptions, specifically including those designed to complement exemptions from federal registration requirements available under Regulation D, in order to recognize and reflect the evolution of capital markets and to ensure that Vermont remains current and competitive in its securities regulations, particularly with respect to access to capital for small businesses.</u></p>	
<p>Study: Commercial Lenders</p>	<p>Sec. 14; identical to Senate provision</p>	<p>Sec. 12. STUDY; DEPARTMENT OF FINANCIAL REGULATION; LICENSED LENDER REQUIREMENTS; COMMERCIAL LENDERS</p> <p><u>On or before January 15, 2015, the Department of Financial Regulation shall evaluate and report to the House Committee on Commerce and Economic Development and to the Senate Committees on Finance and on Economic Development, Housing and General Affairs any statutory and regulatory changes to the State’s licensed lender requirements that are necessary to open private capital markets and remove unnecessary barriers to business investment in Vermont.</u></p>
<p>Unlicensed Loan Transactions</p>	<p>Sec. 19. 9 V.S.A. § 2481w is amended to read: § 2481W. UNLICENSED LOAN TRANSACTIONS</p> <p>(a) In this subchapter:</p> <p>(1) “Financial account” means a checking, savings, share, stored value, prepaid, payroll card, or other depository account.</p> <p>(2) “Lender” means a person engaged in the business of making loans of money, credit, goods, or things in action and charging, contracting for, or receiving on any such loan interest, a finance charge, a discount, or consideration.</p> <p>(3) “Process” or “processing” includes printing a check, draft, or</p>	

	<p>other form of negotiable instrument drawn on or debited against a consumer's financial account, formatting or transferring data for use in connection with the debiting of a consumer's financial account by means of such an instrument or an electronic funds transfer, or arranging for such services to be provided to a lender.</p> <p>(4) "Processor" means a person who engages in processing, as defined in subdivision (3) of this subsection. <u>In this section "processor" does not include an interbank clearinghouse.</u></p> <p>(5) <u>"Interbank clearinghouse" means a person that operates an exchange of automated clearinghouse items, checks, or check images solely between insured depository institutions.</u></p> <p>(b) It is an unfair and deceptive act and practice in commerce for a lender directly or through an agent to solicit or make a loan to a consumer by any means unless the lender is in compliance with all provisions of 8 V.S.A. chapter 73 or is otherwise exempt from the requirements of 8 V.S.A. chapter 73.</p> <p>(c) It is an unfair and deceptive act and practice in commerce for a processor, other than a federally insured depository institution, to process a check, draft, other form of negotiable instrument, or an electronic funds transfer from a consumer's financial account in connection with a loan solicited or made by any means to a consumer unless the lender is in compliance with all provisions of 8 V.S.A. chapter 73 or is otherwise exempt from the requirements of 8 V.S.A. chapter 73.</p> <p>(d) It is an unfair and deceptive act and practice in commerce for any person, including the lender's financial institution as defined in 8 V.S.A. § 10202(5), but not including the consumer's financial institution as defined in 8 V.S.A. § 10202(5) <u>or an interbank clearinghouse as defined in subsection (a) of this section</u>, to provide substantial assistance to a lender or processor when the person or the person's authorized agent receives notice from a regulatory, law enforcement, or similar governmental authority, or knows from its normal monitoring and compliance systems, or consciously avoids knowing that the lender or processor is in violation of subsection (b) or (c) of this section, or is engaging in an unfair or</p>	
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	<p>deceptive act or practice in commerce.</p>	
<p>Telecommunications Permitting</p>	<p>Sec. 20. 30 V.S.A. § 248a is amended to read: § 248a. CERTIFICATE OF PUBLIC GOOD FOR COMMUNICATIONS FACILITIES</p> <p style="text-align: center;">* * *</p> <p>(b) Definitions. For the purposes of <u>As used in this section:</u></p> <p style="text-align: center;">* * *</p> <p>(4) “Telecommunications facility” means a communications facility that transmits and receives signals to and from a local, State, national, or international network used primarily for two-way communications for commercial, industrial, municipal, county, or State purposes and any associated support structure that is proposed for construction or installation which is primarily for communications purposes, and any ancillary improvements that are proposed for construction or installation and are primarily intended to serve the communications facilities or support structure. An applicant may seek approval of construction or installation of a telecommunications facility whether or not the telecommunications facility is attached to an existing structure.</p> <p>(5) “Wireless service” means any commercial mobile radio service, wireless service, common carrier wireless exchange service, cellular service, personal communications service (PCS), specialized mobile radio service, paging service, wireless data service, or public or private radio dispatch service.</p> <p style="text-align: center;">* * *</p> <p>(c) Findings. Before the Public Service Board issues a certificate of public good under this section, it shall find that:</p> <p>(1) The proposed facility will not have an undue adverse effect on aesthetics, historic sites, air and water purity, the natural environment, and the public health and safety, and the public’s use and enjoyment of the I-89 and I-91 scenic corridors or of any highway that has been designated as a scenic road pursuant to 19 V.S.A. § 2501 or a scenic byway pursuant to 23 U.S.C. § 162, with due consideration having been given to the relevant</p>	

	<p>criteria specified in 10 V.S.A. §§ 1424a(d) and 6086(a)(1) through (8) and (9)(K). However, with respect to telecommunications facilities of limited size and scope, the Board shall waive all criteria of this subdivision other than 10 V.S.A. § 6086(a)(1)(D)(floodways) and (a)(8)(aesthetics, scenic beauty, historic sites, rare and irreplaceable natural areas; endangered species; necessary wildlife habitat). Such waiver shall be on condition that:</p> <p>(A) The <u>the</u> Board may determine, pursuant to the procedures described in subdivision (j)(2)(A) of this section, that a petition raises a significant issue with respect to any criterion of this subdivision; and</p> <p>(B) A <u>a</u> telecommunications facility of limited size and scope shall comply, at a minimum, with the requirements of the Low Risk Site Handbook for Erosion Prevention and Sediment Control issued by the Department of Environmental Conservation, regardless of any provisions in that handbook that limit its applicability.</p> <p>(2) Unless there is good cause to find otherwise, substantial deference has been given to the land conservation measures in the plans of the affected municipalities and the recommendations of the municipal legislative bodies and the municipal and regional planning commissions regarding the municipal and regional plans, respectively. Nothing in this section or other provision of law shall prevent a municipal body from basing its recommendations on an ordinance adopted under 24 V.S.A. § 2291(19) or bylaw adopted under 24 V.S.A. chapter 117 by the municipality in which the facility is located. A rebuttable presumption respecting compliance with the applicable plan shall be created by a letter from an affected municipal legislative body or municipal planning commission concerning compliance with the municipal plan and by a letter from a regional planning commission concerning compliance with the regional plan.</p> <p>(3) If the proposed facility relates to the provision of wireless service, the proposed facility reasonably cannot be collocated on or at an existing telecommunications facility, or such collocation would cause an undue adverse effect on aesthetics.</p>	
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	<p style="text-align: center;">* * *</p> <p>(e) Notice. No less than 45 days prior to filing an application for a certificate of public good under this section, the applicant shall serve written notice of an application to be filed with the Board pursuant to this section to the legislative bodies and municipal and regional planning commissions in the communities in which the applicant proposes to construct or install facilities; the Secretary of Natural Resources; <u>the Secretary of Transportation</u>; the Division for Historic Preservation; the Commissioner of Public Service and its Director for Public Advocacy; the Natural Resources Board if the application concerns a telecommunications facility for which a permit previously has been issued under 10 V.S.A. chapter 151; and the landowners of record of property adjoining the project sites. In addition, at least one copy of each application shall be filed with each of these municipal and regional planning commissions.</p> <p>(1) Upon motion or otherwise, the Public Service Board shall direct that further public or personal notice be provided if the Board finds that such further notice will not unduly delay consideration of the merits and that additional notice is necessary for fair consideration of the application.</p> <p>(2) <u>On the request of the municipal legislative body or the planning commission, the applicant shall attend a public meeting with the municipal legislative body or planning commission, or both, within the 45-day notice period before filing an application for a certificate of public good. The Department of Public Service shall attend the public meeting on the request of the municipality. The Department shall consider the comments made and information obtained at the meeting in making recommendations to the Board on the application and in determining whether to retain additional personnel under subsection (o) of this section.</u></p> <p style="text-align: center;">* * *</p> <p>(i) Sunset of Board authority. Effective <u>on July 1, 2014 2017</u>, no new applications for certificates of public good under this section may be considered by the Board.</p> <p style="text-align: center;">* * *</p> <p>(m) <u>Municipal bodies; participation. The legislative body and the</u></p>	
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planning commission for the municipality in which a telecommunications facility is located shall have the right to appear and participate on any application under this section seeking a certificate of public good for the facility.

(n) Municipal recommendations. The Board shall consider the comments and recommendations submitted by the municipal legislative body and planning commission. The Board's decision to issue or deny a certificate of public good shall include a detailed written response to each recommendation of the municipal legislative body and planning commission.

(o) Retention; experts. The Department of Public Service may retain experts and other personnel as identified in section 20 of this title to provide information essential to a full consideration of an application for a certificate of public good under this section. The Department may allocate the expenses incurred in retaining these personnel to the applicant in accordance with section 21 of this title. The Department may commence retention of these personnel once the applicant has filed the 45-day notice under subsection (e) of this section. A municipal legislative body or planning commission may request that the Department retain these personnel. Granting such a request shall not oblige the Department or the personnel it retains to agree with the position of the municipality.

(p) Review process; guide. The Department of Public Service, in consultation with the Board, shall create, maintain, and make available to the public a guide to the process of reviewing telecommunications facilities under this section for use by local governments and regional planning commissions and members of the public who seek to participate in the process. On or before September 1, 2014, the Department shall complete the creation of this guide and make it publically available.

Sec. 20a. PUBLIC SERVICE BOARD; ORDER REVISION

The Public Service Board (the Board) shall define the terms "good cause" and "substantial deference" for the purpose of 30 V.S.A. § 248a(c)(2) in accordance with the following process:

(1) Within 30 days of the effective date of this section, the Board

shall provide direct notice to each municipal legislative body and planning commission, the Vermont League of Cities and Towns, the Department of Public Service, and such other persons as the Board considers appropriate, that it will be amending its procedures order issued under 30 V.S.A. § 248a(1) to include definitions of these terms. The notice shall provide an opportunity for submission of comments and recommendations and include the date and time of the workshop to be held.

(2) Within 60 days of giving notice under subdivision (1) of this section, the Board shall amend its procedures order to include definitions of these terms.

Sec. 20b. REPORT; TELECOMMUNICATIONS FACILITY REVIEW PROCESS

On or before October 1, 2015, the Department of Public Service shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Finance a report assessing the telecommunications facility review process under 30 V.S.A § 248a. The report shall include the number of applications for the construction or installation of telecommunications facilities filed with the Board, the number of applications for which a certificate of public good was granted, the number of applications for which notice was filed but were then withdrawn, and the number of times the Department used its authority under 30 V.S.A. § 248(o) to allocate expenses incurred in retaining expert personnel to the applicant, during the year ending August 31, 2015.

Sec. 20c. 10 V.S.A. § 1264(j) is amended to read:

(j) Notwithstanding any other provision of law, if an application to discharge stormwater runoff pertains to a telecommunications facility as defined in 30 V.S.A. § 248a and is filed before July 1, ~~2014~~ 2017 and the discharge will be to a water that is not principally impaired by stormwater runoff:

(1) The Secretary shall issue a decision on the application within 40 days of the date the Secretary determines the application to be complete, if the application seeks authorization under a general permit.

(2) The Secretary shall issue a decision on the application within

	<p>60 days of the date the Secretary determines the application to be complete, if the application seeks or requires authorization under an individual permit.</p> <p>Sec. 20d. 10 V.S.A. § 8506 is amended to read:</p> <p>§ 8506. RENEWABLE ENERGY PLANT; TELECOMMUNICATIONS FACILITY; APPEALS</p> <p>(a) Within 30 days of the date of the act or decision, any person aggrieved by an act or decision of the secretary <u>Secretary</u>, under the provisions of law listed in section 8503 of this title, or any party by right may appeal to the public service board <u>Public Service Board</u> if the act or decision concerns a renewable energy plant for which a certificate of public good is required under 30 V.S.A. § 248 or a telecommunications facility for which the applicant has applied or has served notice under 30 V.S.A. § 248a(e) that it will apply for approval under 30 V.S.A. § 248a. This section shall not apply to a facility that is subject to section 1004 (dams before the Federal Energy Regulatory Commission) or 1006 (certification of hydroelectric projects) or chapter 43 (dams) of this title. This section shall not apply to an appeal of an act or decision of the secretary regarding a telecommunications facility made on or after July 1, 2014 <u>2017</u>.</p> <p style="text-align: center;">* * *</p> <p>Sec. 20e. REPEAL</p> <p><u>2011 Acts and Resolves No. 53, Sec. 14d (repeal of limitations on municipal bylaws; municipal ordinances; wireless telecommunications facilities) is repealed.</u></p> <p>Sec. 20f. 3 V.S.A. § 2809 is amended to read:</p> <p>§ 2809. REIMBURSEMENT OF AGENCY COSTS</p> <p>(a)(1) The Secretary may require an applicant for a permit, license, certification, or order issued under a program that the Secretary enforces under 10 V.S.A. § 8003(a) to pay for the cost of research, scientific, programmatic, or engineering expertise provided by the Agency of Natural Resources, provided <u>that the following apply:</u></p> <p>(A) the <u>The</u> Secretary does not have such expertise or services</p>	
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	<p>and such expertise is required for the processing of the application for the permit, license, certification, or order; or.</p> <p>(B) the <u>The</u> Secretary does have such expertise but has made a determination that it is beyond the agency's <u>Agency's</u> internal capacity to effectively utilize that expertise to process the application for the permit, license, certification, or order. In addition, the Secretary shall determine that such expertise is required for the processing of the application for the permit, license, certification, or order.</p> <p>(2) The Secretary may require an applicant under 10 V.S.A. chapter 151 to pay for the time of Agency of Natural Resources personnel providing research, scientific, or engineering services or for the cost of expert witnesses when agency <u>Agency</u> personnel or expert witnesses are required for the processing of the permit application.</p> <p>(3) In addition to the authority set forth under 10 V.S.A. chapters 59 and 159 and § <u>section</u> 1283, the Secretary may require a person who caused the agency <u>Agency</u> to incur expenditures or a person in violation of a permit, license, certification, or order issued by the Secretary to pay for the time of agency <u>Agency</u> personnel or the cost of other research, scientific, or engineering services incurred by the agency <u>Agency</u> in response to a threat to public health or the environment presented by an emergency or exigent circumstance.</p> <p style="text-align: center;">* * *</p> <p>(g) Concerning an application for a permit to discharge stormwater runoff from a telecommunications facility as defined in 30 V.S.A. § 248a that is filed before July 1, 2014 <u>2017</u>:</p> <p>(1) Under subdivision (a)(1) of this section, the agency <u>Agency</u> shall not require an applicant to pay more than \$10,000.00 with respect to a facility.</p> <p>(2) The provisions of subsection (c) (mandatory meeting) of this section shall not apply.</p>	
<p>NEK Demographic Study</p>	<p>Sec. 21. JFO ACCD DEMOGRAPHIC STUDY <u>The Agency of Commerce and Community Development, with</u></p>	

	<p><u>consultation and review by the legislative economist and the Joint Fiscal Office, shall conduct an economic impact analysis, including study of demographic and infrastructure impacts associated with recently announced development projects in the Northeast Kingdom of Vermont, and shall submit its findings to the House Committee on Commerce and Community Development, the Senate Committee on Economic Development, Housing and General Affairs, and the Joint Fiscal Committee on or before December 1, 2014.</u></p>	
<p>Study: Tourism Funding</p>	<p>Sec. 22; Senate provision</p>	<p>Sec. 13. TOURISM FUNDING; PILOT PROJECT STUDY <u>On or before January 15, 2015, the Secretary of Commerce and Community Development shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a report that analyzes the results of the performance-based funding pilot project for the Department of Tourism and Marketing and recommends appropriate legislative or administrative changes to the funding mechanism for tourism and marketing programs.</u></p>
<p>Industrial Parks: Access to VEDA funding</p>	<p>Sec. 23. 10 V.S.A. chapter 12 is amended to read: CHAPTER 12: VERMONT ECONOMIC DEVELOPMENT AUTHORITY * * * § 212. DEFINITIONS As used in this chapter: * * * (6) “Eligible facility” or “eligible project” means any industrial, commercial, or agricultural enterprise or endeavor approved by the authority that meets the criteria established in the Vermont Sustainable Jobs Strategy adopted by the Governor under section 280b of this title, including land and rights in land, air, or water, buildings, structures, machinery, and equipment of such eligible facilities or eligible projects, except that an eligible facility or project shall not include the portion of an</p>	<p>Sec. 14. 10 V.S.A. § 238 is added to read: <u>§ 238. AVAILABILITY OF LOANS AND ASSISTANCE FOR INDUSTRIAL PARKS</u> <u>Notwithstanding any provision of this chapter to the contrary, the developer of a project in an industrial park permitted under chapter 151 of this title shall have access to the loans and assistance available to a local development corporation from the Vermont Economic Development Authority for the improvement of industrial parks under this subchapter.</u></p>

	<p>enterprise or endeavor relating to the sale of goods at retail where such goods are manufactured primarily out of state, and except further that an eligible facility or project shall not include the portion of an enterprise or endeavor relating to housing. Such enterprises or endeavors may include:</p> <p style="text-align: center;">* * *</p> <p>(M) Sustainably Priced Energy Enterprise Development (SPEED) resources, as defined in 30 V.S.A. § 8002; or</p> <p>(N) any combination of the foregoing activities, uses, or purposes. An eligible facility may include structures, appurtenances incidental to the foregoing such as utility lines, storage accommodations, offices, dependent care facilities, or transportation facilities; or</p> <p><u>(O) industrial park planning, development, or improvement.</u></p> <p style="text-align: center;">* * *</p> <p>§ 261. ADDITIONAL POWERS</p> <p>In addition to powers enumerated elsewhere in this chapter, the authority may:</p> <p style="text-align: center;">* * *</p> <p><u>(6) provide loans and assistance under this subchapter for the planning, development, or improvement of an industrial park or an eligible project within an industrial park.</u></p>	
<p>Industrial Parks: Act 250 definition</p>	<p style="text-align: center;">Sec. 24; Senate provision</p>	<p>Sec. 16. 10 V.S.A. § 6001(35) is added to read:</p> <p style="padding-left: 40px;"><u>(35) “Industrial park” means an area of land permitted under this chapter that is planned, designed, and zoned as a location for one or more industrial buildings, that includes adequate access roads, utilities, water, sewer, and other services necessary for the uses of the industrial buildings, and includes no retail use except that which is incidental to an industrial use, and no office use except that which is incidental or secondary to an industrial use.</u></p>
<p>Industrial Parks: NRB review of master plan policy</p>	<p style="text-align: center;">Sec. 25; Senate provision</p>	<p>Sec. 17. REVIEW OF MASTER PLAN POLICY</p> <p style="padding-left: 40px;"><u>On or before January 1, 2015, the Natural Resources Board shall review its master plan policy and commence the policy’s adoption as a rule. The proposed rule shall include provisions for efficient master plan permitting and master plan permit</u></p>

		<p><u>amendments for industrial parks. The Board shall consult with affected parties when developing the proposed rule.</u></p>
<p>Industrial Parks: Primary agricultural soils</p>	<p>Sec. 26; Senate provision</p>	<p style="text-align: center;">* * * Primary Agricultural Soils; Industrial Parks * * *</p> <p>Sec. 18. 10 V.S.A. § 6093(a)(4) is amended to read: (4) Industrial parks. (A) Notwithstanding any provision of this chapter to the contrary, a conversion of primary agricultural soils located in an industrial park as defined in subdivision 212(7) of this title and permitted under this chapter and in existence as of January 1, 2006, shall be allowed to pay a mitigation fee computed according to the provisions of subdivision (1) of this subsection, except that it shall be entitled to a ratio of 1:1, protected acres to acres of affected primary agricultural soil. If an industrial park is developed to the fullest extent before any expansion, this ratio shall apply to any contiguous expansion of such an industrial park that totals no more than 25 percent of the area of the park or no more than 10 acres, whichever is larger; provided any expansion based on percentage does not exceed 50 acres. Any expansion larger than that described in this subdivision shall be subject to the mitigation provisions of this subsection at ratios that depend upon the location of the expansion. (B) In any application to a district commission for expansion of <u>District Commission to amend a permit for an existing industrial park, compact development patterns shall be encouraged that assure the most efficient and full use of land and the realization of maximum economic development potential through appropriate densities shall be allowed consistent with all applicable criteria of subsection 6086(a) of this title.</u> Industrial park expansions and industrial park infill shall not be subject to requirements established in subdivision 6086(a)(9)(B)(iii) of this title, nor to requirements established in subdivision <u>6086(a)(9)(C)(iii).</u></p>
<p>Affordable Housing</p>	<p>Sec. 27; Senate provision</p>	<p style="text-align: center;">* * * Affordable Housing * * *</p> <p>Sec. 19. 10 V.S.A. § 6001 is amended to read: § 6001. DEFINITIONS In this chapter: <p style="text-align: center;">* * *</p> (3)(A) “Development” means each of the following:</p>

		<p style="text-align: center;">* * *</p> <p>(iv) The construction of housing projects such as cooperatives, condominiums, or dwellings, or construction or maintenance of mobile homes or trailer <u>mobile home parks</u>, with 10 or more units, constructed or maintained on a tract or tracts of land, owned or controlled by a person, within a radius of five miles of any point on any involved land, and within any continuous period of five years. <u>However:</u></p> <p style="padding-left: 40px;"><u>(I) A priority housing project shall constitute a development under this subdivision (iv) only if the number of housing units in the project is:</u></p> <p style="padding-left: 80px;"><u>(aa) 275 or more, in a municipality with a population of 15,000 or more;</u></p> <p style="padding-left: 80px;"><u>(bb) 150 or more, in a municipality with a population of 10,000 or more but less than 15,000;</u></p> <p style="padding-left: 80px;"><u>(cc) 75 or more, in a municipality with a population of 6,000 or more but less than 10,000.</u></p> <p style="padding-left: 80px;"><u>(dd) 50 or more, in a municipality with a population of 3,000 or more but less than 6,000;</u></p> <p style="padding-left: 80px;"><u>(ee) 25 or more, in a municipality with a population of less than 3,000; and</u></p> <p style="padding-left: 80px;"><u>(ff) notwithstanding subdivisions (aa) through (ee) of this subdivision (iv)(I), 10 or more if the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have no adverse effect; no adverse effect provided that specified conditions are met; or will have an adverse effect but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document.</u></p> <p style="padding-left: 40px;"><u>(II) The determination of jurisdiction over a priority housing project shall count only the housing units included in that discrete project.</u></p> <p style="padding-left: 40px;"><u>(III) Housing units in a priority housing project shall not count toward determining jurisdiction over any other project.</u></p> <p style="text-align: center;">* * *</p> <p style="padding-left: 40px;">(B)(i) Smart Growth Jurisdictional Thresholds. Notwithstanding the</p>
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		<p>provisions of subdivision (3)(A) of this section, if a project consists exclusively of mixed income housing or mixed use, or any combination thereof, and is located entirely within a growth center designated pursuant to 24 V.S.A. 2793c or, entirely within a downtown development district designated pursuant to 24 V.S.A. § 2793, “development” means:</p> <p>(I) Construction of mixed income housing with 200 or more housing units or a mixed use project with 200 or more housing units, in a municipality with a population of 15,000 or more.</p> <p>(II) Construction of mixed income housing with 100 or more housing units or a mixed use project with 100 or more housing units, in a municipality with a population of 10,000 or more but less than 15,000.</p> <p>(III) Construction of mixed income housing with 50 or more housing units or a mixed use project with 50 or more housing units, in a municipality with a population of 6,000 or more and less than 10,000.</p> <p>(IV) Construction of mixed income housing with 30 or more housing units or a mixed use project with 30 or more housing units, in a municipality with a population of 3,000 or more but less than 6,000.</p> <p>(V) Construction of mixed income housing with 25 or more housing units or a mixed use project with 25 or more housing units, in a municipality with a population of less than 3,000.</p> <p>(VI) Historic Buildings. Construction of 10 or more units of mixed income housing or a mixed use project with 10 or more housing units where if the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have: no adverse effect; no adverse effect provided that specified conditions are met; or, will have an adverse effect, but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document.</p> <p>(ii) Mixed Income Housing Jurisdictional Thresholds. Notwithstanding the provisions of subdivision (3)(A) of this section, if a project consists exclusively of mixed income housing and is located entirely within a Vermont neighborhood</p>
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		<p>designated pursuant to 24 V.S.A. § 2793d or a neighborhood development area as defined in 24 V.S.A. § 2791(16), “development” means:</p> <p>(I) Construction of mixed income housing with 200 or more housing units, in a municipality with a population of 15,000 or more.</p> <p>(II) Construction of mixed income housing with 100 or more housing units, in a municipality with a population of 10,000 or more but less than 15,000.</p> <p>(III) Construction of mixed income housing with 50 or more housing units, in a municipality with a population of 6,000 or more and less than 10,000.</p> <p>(IV) Construction of mixed income housing with 30 or more housing units, in a municipality with a population of 3,000 or more but less than 6,000.</p> <p>(V) Construction of mixed income housing with 25 or more housing units, in a municipality with a population of less than 3,000.</p> <p>(VI) Historic Buildings. Construction of 10 or more units of mixed income housing where the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have: no adverse effect; no adverse effect provided that specified conditions are met; or will have an adverse effect, but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document. [Repealed.]</p> <p>(C) For the purposes of determining jurisdiction under subdivisions <u>subdivision (3)(A) and (3)(B)</u> of this section, the following shall apply:</p> <p>(i) Incentive for Growth Inside Designated Areas. Notwithstanding subdivision (3)(A)(iv) of this section, housing units constructed by a person partially or completely outside a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area shall not be counted to determine jurisdiction over housing units constructed by that person entirely within a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area. [Repealed.]</p> <p>(ii) Five Year, Five Mile Radius Jurisdiction Analysis. Within any continuous period of five years, housing units constructed by a person entirely within a</p>
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		<p>designated downtown district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area shall be counted together with housing units constructed by that person partially or completely outside a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area to determine jurisdiction over the housing units constructed by a person partially or completely outside the designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area and within a five mile radius in accordance with subdivision (3)(A)(iv) of this section.</p> <p><u>[Repealed.]</u></p> <p>(iii) Discrete Housing Projects in Designated Areas and Exclusive Counting for Housing Units. Notwithstanding subdivisions (3)(A)(iv) and (19) of this section, jurisdiction shall be determined exclusively by counting housing units constructed by a person within a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area, provided that the housing units are part of a discrete project located on a single tract or multiple contiguous tracts of land. [Repealed.]</p> <p style="text-align: center;">* * *</p> <p>(27) “Mixed income housing” means a housing project in which the following apply:</p> <p>(A) Owner-occupied housing. At the option of the applicant, owner-occupied housing may be characterized by either of the following:</p> <p>(i) at least 15 percent of the housing units have a purchase price which at the time of first sale does not exceed 85 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency; or</p> <p>(ii) at least 20 percent of the housing units have a purchase price which at the time of first sale does not exceed 90 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency;</p> <p>(B) <u>Affordable Rental Housing</u>. At least 20 percent of <u>the housing units</u> that <u>is are</u> rented by the occupants whose gross annual household income does not exceed 60 percent of the county median income, or 60 percent of the standard metropolitan</p>
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		<p>statistical area income if the municipality is located in such an area, as defined by the United States Department of Housing and Urban Development for use with the Housing Credit Program under Section 42(g) of the Internal Revenue Code, and the total annual cost of the housing, as defined at Section 42(g)(2)(B), is not more than 30 percent of the gross annual household income as defined at Section 42(g)(2)(C), and with <u>constitute affordable housing and have a duration of affordability of no less than 30 20 years.</u></p> <p>(28) “Mixed use” means construction of both mixed income housing and construction of space for any combination of retail, office, services, artisan, and recreational and community facilities, provided at least 40 percent of the gross floor area of the buildings involved is mixed income housing. “Mixed use” does not include industrial use.</p> <p>(29) “Affordable housing” means either of the following:</p> <p>(A) Housing that is owned by its occupants whose gross annual household income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the United States Department of Housing and Urban Development, and the total annual cost of the housing, including principal, interest, taxes, insurance, and condominium association fees, is not more than 30 percent of the gross annual household income.</p> <p>(B) Housing that is rented by the occupants whose gross annual household income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the United States Department of Housing and Urban Development, and the total annual cost of the housing, including rent, utilities, and condominium association fees, is not more than 30 percent of the gross annual household income.</p> <p style="text-align: center;">* * *</p> <p><u>(36) “Priority housing project” means a discrete project located on a single tract or multiple contiguous tracts of land that consists exclusively of:</u></p> <p><u>(A) mixed income housing or mixed use, or any combination thereof, and is located entirely within a designated downtown development district, designated growth center, or designated village center that is also a designated neighborhood development area under 24 V.S.A. chapter 76A; or</u></p> <p><u>(B) mixed income housing and is located entirely within a designated</u></p>
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		<p><u>Vermont neighborhood or designated neighborhood development area under 24 V.S.A. chapter 76A.</u></p>
<p>Credit Facility for Clean Energy Loan Fund</p>	<p>Sec. 16; identical to Senate provision</p>	<p style="text-align: center;">* * * Credit Facility for Vermont Clean Energy Loan Fund * * *</p> <p>Sec. 20. 2013 Acts and Resolves No. 87, Sec. 8 is amended to read: Sec. 8. INVESTMENT OF STATE MONIES The Treasurer is hereby authorized to establish a short-term credit facility for the benefit of the Vermont Economic Development Authority in an amount of up to \$10,000,000.00.</p>
<p>Licensed Lenders and MLO Licenses: Exemptions for De Minimis Lending Activity</p>	<p>Sec. 15; Senate provision.</p>	<p style="text-align: center;">* * * Licensed Lender Requirements; Exemption for De Minimis Lending Activity * * *</p> <p style="text-align: center;">*</p> <p>Sec. 21. 8 V.S.A. § 2201 is amended to read: 2201. LICENSES REQUIRED (a) No person shall without first obtaining a license under this chapter from the commissioner <u>Commissioner</u>: (1) engage in the business of making loans of money, credit, goods, or things in action and charge, contract for, or receive on any such loan interest, a finance charge, discount, or consideration therefor <u>therefor</u>; (2) act as a mortgage broker; (3) engage in the business of a mortgage loan originator; or (4) act as a sales finance company. (b) Each licensed mortgage loan originator must register with and maintain a valid unique identifier with the Nationwide Mortgage Licensing System and Registry and must be either: (1) an employee actively employed at a licensed location of, and supervised and sponsored by, only one licensed lender or licensed mortgage broker operating in this state <u>State</u>; (2) an individual sole proprietor who is also a licensed lender or licensed mortgage broker; or (3) an employee engaged in loan modifications employed at a licensed location of, and supervised and sponsored by, only one third-party loan servicer licensed to operate in this state <u>State</u> pursuant to chapter 85 of this title. For purposes of <u>As used in</u></p>

		<p>this subsection, “loan modification” means an adjustment or compromise of an existing residential mortgage loan. The term “loan modification” does not include a refinancing transaction.</p> <p>(c) A person licensed pursuant to subdivision (a)(1) of this section may engage in mortgage brokerage and sales finance if such person informs the commissioner <u>Commissioner</u> in advance that he or she intends to engage in sales finance and mortgage brokerage. Such person shall inform the commissioner <u>Commissioner</u> of his or her intention on the original license application under section 2202 of this title, any renewal application under section 2209 of this title, or pursuant to section 2208 of this title, and shall pay the applicable fees required by subsection 2202(b) of this title for a mortgage broker license or sales finance company license.</p> <p>(d) No lender license, mortgage broker license, or sales finance company license shall be required of:</p> <ol style="list-style-type: none"> (1) a state <u>State</u> agency, political subdivision, or other public instrumentality of the state <u>State</u>; (2) a federal agency or other public instrumentality of the United States; (3) a gas or electric utility subject to the jurisdiction of the public service board <u>Public Service Board</u> engaging in energy conservation or safety loans; (4) a depository institution or a financial institution as defined in 8 V.S.A. § 11101(32); (5) a pawnbroker; (6) an insurance company; (7) a seller of goods or services that finances the sale of such goods or services, other than a residential mortgage loan; (8) any individual who offers or negotiates the terms of a residential mortgage loan secured by a dwelling that served as the individual’s residence, including a vacation home, or inherited property that served as the deceased’s dwelling, provided that the individual does not act as a mortgage loan originator or provide financing for such sales so frequently and under such circumstances that it constitutes a habitual activity and acting in a commercial context; (9) lenders that conduct their lending activities, other than residential mortgage loan activities, through revolving loan funds, that are nonprofit organizations exempt from taxation under Section 501(c) of the Internal Revenue Code, 26 U.S.C. § 501(c),
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		<p>and that register with the commissioner of economic development <u>Commissioner of Economic Development</u> under 10 V.S.A. § 690a;</p> <p>(10) persons who lend, other than residential mortgage loans, an aggregate of less than \$75,000.00 in any one year at rates of interest of no more than 12 percent per annum;</p> <p>(11) a seller who, pursuant to 9 V.S.A. § 2355(f)(1)(D), includes the amount paid or to be paid by the seller to discharge a security interest, lien interest, or lease interest on the traded-in motor vehicle in a motor vehicle retail installment sales contract, provided that the contract is purchased, assigned, or otherwise acquired by a sales finance company licensed pursuant to this title to purchase motor vehicle retail installment sales contracts or a depository institution;</p> <p>(12)(A) a person making an unsecured commercial loan, which loan is expressly subordinate to the prior payment of all senior indebtedness of the commercial borrower regardless of whether such senior indebtedness exists at the time of the loan or arises thereafter. The loan may or may not include the right to convert all or a portion of the amount due on the loan to an equity interest in the commercial borrower;</p> <p>(B) for purposes of as used in this subdivision (12), “senior indebtedness” means:</p> <p>(i) all indebtedness of the commercial borrower for money borrowed from depository institutions, trust companies, insurance companies, and licensed lenders, and any guarantee thereof; and</p> <p>(ii) any other indebtedness of the commercial borrower that the lender and the commercial borrower agree shall constitute senior indebtedness;</p> <p>(13) nonprofit organizations established under testamentary instruments, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), and which make loans for postsecondary educational costs to students and their parents, provided that the organizations provide annual accountings to the Probate Division of the Superior Court;</p> <p>(14) any individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member of the individual;</p> <p>(15) a housing finance agency;</p> <p><u>(16) a person who makes no more than three mortgage loans in any consecutive three-year period beginning on or after July 1, 2011.</u></p>
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		<p>(e) No mortgage loan originator license shall be required of:</p> <p>(1) Registered mortgage loan originators, when employed by and acting for an entity described in subdivision 2200(22) of this chapter.</p> <p>(2) Any individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member of the individual.</p> <p>(3) Any individual who offers or negotiates terms of a residential mortgage loan secured by a dwelling that served as the individual's residence, including a vacation home, or inherited property that served as the deceased's dwelling, provided that the individual does not act as a mortgage loan originator or provide financing for such sales so frequently and under such circumstances that it constitutes a habitual activity and acting in a commercial context.</p> <p>(4) An individual who is an employee of a federal, state <u>State</u>, or local government agency, or an employee of a housing finance agency, who acts as a mortgage loan originator only pursuant to his or her official duties as an employee of the federal, state <u>State</u>, or local government agency or housing finance agency.</p> <p>(5) A licensed attorney who negotiates the terms of a residential mortgage loan on behalf of a client as an ancillary matter to the attorney's representation of the client, unless the attorney is compensated by a lender, a mortgage broker, or other mortgage loan originator or by any agent of such lender, mortgage broker, or other mortgage loan originator. To the extent an attorney licensed in this State undertakes activities that are covered by the definition of a mortgage loan originator, such activities do not constitute engaging in the business of a mortgage loan originator, provided that:</p> <p>(A) such activities are considered by the State governing body responsible for regulating the practice of law to be part of the authorized practice of law within this State;</p> <p>(B) such activities are carried out within an attorney-client relationship; and</p> <p>(C) the attorney carries them out in compliance with all applicable laws, rules, ethics, and standards.</p> <p><u>(6) A person who makes no more than three mortgage loans in any consecutive three-year period beginning on or after July 1, 2011</u></p> <p>(f) <u>If a person who offers or negotiates the terms of a mortgage loan is exempt from licensure pursuant to subdivision (d)(16) or (e)(6) of this section, there is a rebuttable presumption that he or she is not engaged in the business of making loans or being a</u></p>
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		<p><u>mortgage loan originator.</u></p> <p>(g) Independent contractor loan processors or underwriters. A loan processor or underwriter who is an independent contractor may not engage in the activities of a loan processor or underwriter unless such independent contractor loan processor or underwriter obtains and maintains a mortgage loan originator license. Each independent contractor loan processor or underwriter licensed as a mortgage loan originator must have and maintain a valid unique identifier issued by the Nationwide Mortgage Licensing System and Registry.</p> <p>(g)(h) This chapter shall not apply to commercial loans of \$1,000,000.00 or more.</p>
<p>Workforce Education and Training: Workforce Leader; coordination of programs; public engagement process; collection of data</p>	<p>Secs. 28-31; incorporates H.852, As Passed the House</p>	<p>Sec. 22. 10 V.S.A. § 545 is added to read: <u>§ 545. WORKFORCE EDUCATION AND TRAINING LEADER</u></p> <p><u>(a) The Commissioner of Labor shall have the authority to designate one existing full-time position within the Department as “Workforce Education and Training Leader.”</u></p> <p><u>(b) The Workforce Leader shall have primary authority within State government to conduct an inventory of the workforce education and training activities throughout the State both within State government agencies and departments that perform those activities and with State partners who perform those activities with State funding, and to coordinate those activities to ensure an integrated workforce education and training system throughout the State.</u></p> <p><u>(c) In conducting the inventory pursuant to subsection (b) of this section, the Workforce Leader shall design and implement a stakeholder engagement process that brings together employers with potential employees, including students, the unemployed, and incumbent employees seeking further training.</u></p> <p><u>(d) Notwithstanding any provision of State law to the contrary, and to the fullest extent allowed under federal law, the Leader shall ensure that in each State and State-funded workforce education and training program, the program administrator collects and reports individual data and outcomes at the individual level by Social Security Number or equivalent.</u></p>
<p>Study: Internship opportunities for 15-</p>	<p>Sec. 32; Senate provision</p>	<p>Sec. 23. INTERNSHIP OPPORTUNITIES FOR YOUNG PERSONS <u>On or before January 15, 2015, the Commissioner of Labor shall submit to the</u></p>

<p>18 year olds</p>		<p><u>House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a report that details the internship opportunities available to Vermonters between 15 and 18 years of age and recommends one or more means to expand these opportunities through the Vermont Career Internship Program, 10 V.S.A. § 544, or through other appropriate mechanisms.</u></p>
<p>Vermont Strong Scholars and Internship Initiative (House)</p> <p>Vermont Strong Scholars Program (Senate)</p>	<p style="text-align: center;">* * * Vermont Strong Scholars and Internship Initiative * * *</p> <p>Sec. 33. 16 V.S.A. chapter 90 is redesignated to read: CHAPTER 90. FUNDING OF POSTSECONDARY INSTITUTIONS <u>EDUCATION</u></p> <p>Sec. 34. 16 V.S.A. § 2888 is added to read: § 2888. <u>VERMONT STRONG SCHOLARS AND INTERNSHIP INITIATIVE</u></p> <p>(a) <u>Creation.</u></p> <p>(1) There is created a postsecondary loan forgiveness <u>and internship initiative</u> designed to forgive a portion of Vermont Student Assistance Corporation loans of students employed <u>in economic sectors identified as important to Vermont’s economy and to build internship opportunities for students to gain work experience with Vermont employers.</u></p> <p>(2) <u>The initiative shall be known as the Vermont Strong Scholars and Internship Initiative and is designed to:</u></p> <p>(A) <u>encourage students to:</u></p> <p>(i) <u>consider jobs in economic sectors that are critical to the Vermont economy;</u></p> <p>(ii) <u>enroll and remain enrolled in a Vermont postsecondary institution; and</u></p> <p>(iii) <u>live in Vermont upon graduation;</u></p> <p>(B) <u>reduce student loan debt for postsecondary education in targeted fields;</u></p> <p>(C) <u>provide experiential learning through internship</u></p>	<p style="text-align: center;">* * * Vermont Strong Scholars Program * * *</p> <p>Sec. 24. 16 V.S.A. chapter 90 is redesignated to read: CHAPTER 90. FUNDING OF POSTSECONDARY INSTITUTIONS <u>EDUCATION</u></p> <p>Sec. 25. 16 V.S.A. § 2888 is added to read: § 2888. <u>VERMONT STRONG SCHOLARS PROGRAM</u></p> <p>(a) <u>Program creation. There is created a postsecondary loan forgiveness program to be known as the Vermont Strong Scholars Program designed to forgive a portion of Vermont Student Assistance Corporation (the Corporation) loans in order to encourage Vermonters to select majors that prepare them for jobs that are critical to the Vermont economy, to enroll and remain enrolled in a Vermont postsecondary institution, and to live in Vermont upon graduation.</u></p>

opportunities with Vermont employers; and
(D) support a pipeline of qualified talent for employment with Vermont's employers.

(b) Vermont Strong Loan Forgiveness Program.

(1) Economic sectors; projections.

(A) Annually, on or before November 15, the Secretary of Commerce and Community Development and the Commissioner of Labor, in consultation with the Vermont State Colleges, the University of Vermont, the Vermont Student Assistance Corporation, and the Secretary of Education, shall identify economic sectors, projecting at least four years into the future, that are or will be critical to the Vermont economy.

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

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

(A) was a Vermont resident, as defined in 16 V.S.A. § 2822(7), at the time he or she was graduated;

(B) completed an associate's degree within three years, or a bachelor's degree within six years;

(C) becomes employed in Vermont within 12 months of graduation in an economic sector identified by the Secretary and Commissioner under subdivision (1) of this subsection;

(D) remains employed in Vermont throughout the period of loan

(b) Academic majors; projections.

(1) Annually, on or before November 15, the Secretary of Commerce and Community Development (the Secretary), in consultation with the Vermont State Colleges, the University of Vermont, the Corporation, the Commissioner of Labor, and the Secretary of Education, shall identify eligible postsecondary majors, projecting at least four years into the future, that:

(A) are offered by the Vermont State Colleges, the University of Vermont, or Vermont independent colleges (the eligible institutions); and

(B) lead to jobs the Secretary has identified as critical to the Vermont economy.

(2) The Secretary shall prioritize the identified majors and shall select a similar number of associate's degree and bachelor's degree programs. A major shall be identified as eligible for this Program for no less than two years.

(3) Based upon the identified majors, the Secretary of Administration shall annually provide the General Assembly with the estimated cost of the Corporation's loan forgiveness awards under the Program during the then-current fiscal year and each of the four following fiscal years.

(c) Eligibility. An individual shall be eligible for loan forgiveness under this section if he or she:

(1) was classified as a Vermont resident by the eligible institution from which he or she was graduated;

(2) is a graduate of an eligible institution;

(3) shall not hold a prior bachelor's degree;

(4) was awarded an associate's or bachelor's degree in a field identified pursuant to subsection (b) of this section;

(5) completed the associate's degree within three years or the bachelor's degree within five years;

<p>forgiveness in an economic sector identified by the Secretary and Commissioner under subdivision (1) of this subsection; and</p> <p>(E) remains a Vermont resident throughout the period of loan forgiveness.</p> <p>(3) <u>Loan forgiveness.</u> An eligible individual shall have a portion of his or her Vermont Student Assistance Corporation loan forgiven as follows:</p> <p>(A) for an individual awarded an associate's degree, in an amount equal to the <u>comprehensive in-state tuition rate</u> for 15 credits at the <u>Vermont State Colleges</u> during the individual's final semester of enrollment, to be prorated over the three years following graduation; and</p> <p>(B) for an individual awarded a bachelor's degree, in an amount equal to the <u>comprehensive in-state tuition rate for 30 credits</u> at the Vermont State Colleges during the individual's final year of enrollment, to be prorated over the five years following graduation.</p> <p>(C) <u>Loan forgiveness may be awarded on a prorated basis to an otherwise eligible Vermont resident who transfers to and is graduated from a Vermont postsecondary institution.</u></p> <p>(4) <u>Management.</u></p> <p>(A) <u>The Secretary of Commerce and Community Development shall develop all organizational details of the loan forgiveness program consistent with the purposes and requirements of this section.</u></p> <p>(B) <u>The Secretary shall enter into a memorandum of understanding with the Vermont Student Assistance Corporation for management of the loan forgiveness program.</u></p> <p>(C) <u>The Secretary may adopt rules pursuant to 3 V.S.A. chapter 25 necessary to implement the Program.</u></p> <p><u>(c) Vermont Strong Internship Program.</u></p> <p>(1) <u>Internship program management.</u></p> <p>(A) <u>The Commissioner of Labor and the Secretary of Commerce and Community Development shall jointly develop and implement the</u></p>	<p><u>(6) is employed in Vermont in a field or specific position closely related to the identified degree during the period of loan forgiveness; and</u></p> <p>(7) is a Vermont resident throughout the period of loan forgiveness.</p> <p>(d) <u>Loan forgiveness.</u></p> <p>(1) <u>An eligible individual shall have his or her postsecondary loan from the Corporation forgiven as follows:</u></p> <p>(A) for an individual awarded an associate's degree by an eligible institution, in an amount equal to the tuition rate for 15 credits at the Community College of Vermont during the individual's final semester of enrollment, to be prorated over the three years following graduation; and</p> <p>(B) for an individual awarded a bachelor's degree by an eligible institution, in an amount equal to the in-state tuition rate at the Vermont State Colleges during the individual's final year of enrollment, to be prorated over the five years following graduation;</p> <p>(2) <u>Loan forgiveness may be awarded on a prorated basis to an otherwise eligible Vermont resident who transfers to and is graduated from an eligible institution.</u></p> <p>(e) <u>Program management and funding.</u> The Secretary shall develop all organizational details of the Program consistent with the purposes and requirements of this section, including the identification of eligible major programs and eligible jobs. The Secretary may contract with the Corporation for management of the Program. The Secretary may adopt rules pursuant to 3 V.S.A. chapter 25 necessary to implement the Program. The availability and payment of loan forgiveness awards under this section are subject to funding available to the Corporation for the awards.</p>
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organizational details of the internship program consistent with the purposes and requirements of this section and may adopt rules pursuant to 3 V.S.A. chapter 25 necessary to implement the internship program.

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

(C) The Department of Labor, the Agency of Commerce and Community Development, the regional development corporations, and the Intermediary, shall have responsibility for building connections within the business community to ensure broad private sector participation in the internship program.

(D) The Program Intermediary shall:

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

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

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

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

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

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

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

(2) Qualifying internships.

(A) Criteria. To qualify for participation in the internship

<p><u>program an internship shall at minimum:</u></p> <p style="padding-left: 40px;"><u>(i) be with a Vermont employer as approved by the Intermediary in consultation with the Commissioner and Secretary;</u></p> <p style="padding-left: 40px;"><u>(ii) pay compensation to an intern of at least the prevailing minimum wage; and</u></p> <p style="padding-left: 40px;"><u>(iii) meet the quality standards and expectations as established by the Intermediary.</u></p> <p><u>(B) Employment of interns. Interns shall be employed by the sponsoring employer except, with the approval of the Commissioner on a case-by-case basis, interns may be employed by the Intermediary and assigned to work with a participating Vermont employer, in which case the sponsoring employer shall contribute funds as determined by the Commissioner.</u></p> <p><u>(3) Student eligibility. To participate in the internship program an individual shall be:</u></p> <p style="padding-left: 40px;"><u>(A) a Vermont resident enrolled in a post-secondary institution in or outside Vermont;</u></p> <p style="padding-left: 40px;"><u>(B) a student who graduated from a postsecondary institution within 24 months of entering the program who was classified as a Vermont resident during that schooling or who is a student who attended a post-secondary institution in Vermont; or</u></p> <p style="padding-left: 40px;"><u>(C) a student enrolled in a Vermont post-secondary institution.</u></p> <p><u>(d) Funding.</u></p> <p style="padding-left: 40px;"><u>(1) Loan forgiveness program.</u></p> <p style="padding-left: 80px;"><u>(A) There is created a special fund to be known as the Vermont Strong Scholars Fund pursuant to 32 V.S.A. chapter 7, subchapter 5, which shall be used and administered solely for the purposes of loan forgiveness pursuant to this section.</u></p> <p style="padding-left: 80px;"><u>(B) The Fund shall consist of sums to be identified by the Secretary from any source accepted for the benefit of the Fund and interest earned from the investment of Fund balances.</u></p> <p style="padding-left: 80px;"><u>(C) Any interest earned and any remaining balance at the end of the fiscal year shall be carried forward in the Fund.</u></p>	<p><u>(f) Fund creation.</u></p> <p style="padding-left: 40px;"><u>(1) There is created a special fund to be known as the Vermont Strong Scholars Fund pursuant to 32 V.S.A. chapter 7, subchapter 5. The Fund shall be used and administered solely for the purposes of this section. Any remaining balance at the end of the fiscal year shall be carried forward in the Fund.</u></p> <p style="padding-left: 40px;"><u>(2) The Fund shall consist of sums to be identified by the Secretary from any source accepted for the benefit of the Fund and interest earned from the investment of Fund balances.</u></p>
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	<p>(D) <u>The availability and payment of loan forgiveness awards under this section are subject to funding available for the awards.</u></p> <p><u>(2) Internship program. Notwithstanding any provision of law to the contrary, the Commissioner of Labor shall have the authority to use funds allocated to the Workforce Education and Training Fund established in 10 V.S.A. § 543 to implement the internship program created in this section.</u></p> <p>Sec. 35. VERMONT STRONG INTERIM REPORT</p> <p><u>On or before November 1, 2014, the Secretary of Commerce and Community Development shall report to the Joint Fiscal Committee on the organizational and economic details of the Vermont Strong Scholars Initiative, including:</u></p> <ul style="list-style-type: none"> <u>(1) the economic sectors selected for loan forgiveness;</u> <u>(2) the projected annual cost of the Initiative,</u> <u>(3) the proposed funding sources;</u> <u>(4) programmatic proposals and economic projections on the feasibility and impacts of expanding eligibility for the loan forgiveness program to include Vermont residents who attend postsecondary institutions outside of Vermont and out-of-state residents who attend Vermont postsecondary institutions; and</u> <u>(5) the projected balance of the Vermont Strong Scholars Fund for each fiscal year through fiscal year 2018.</u> <p>Sec. 37. EFFECTIVE DATES</p> <p><u>(a) This section and Sec. 20a (Public Service Board; rulemaking) shall take effect on passage.</u></p> <p><u>(b) The remainder of this act shall take effect on July 1, 2014, except that 16 V.S.A. § 2888(b)(3) (Vermont Strong loan forgiveness) shall take effect on July 1, 2015.</u></p>	<p>Sec. 28. VERMONT STRONG INTERIM REPORT</p> <p><u>On or before November 1, 2014, the Secretary of Commerce and Community Development shall report to the Joint Fiscal Committee on the organizational and economic details of the Vermont Strong Scholars Program, and specifically on the majors selected for forgiveness and the projected annual cost, the proposed funding source, and the projected fund balance for each fiscal year through fiscal year 2018.</u></p> <p>Sec. 29. EFFECTIVE DATES</p> <p><u>This act shall take effect on July 1, 2014, except that 16 V.S.A. § 2888(d) in Sec. 25 shall take effect on July 1, 2015.</u></p>
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<p>Study: Vermont Products Program</p>	<p>Sec. 36. VERMONT PRODUCTS PROGRAM; STUDY; REPORT</p> <p><u>(a) The Secretary of Commerce and Community Development, the Secretary of Agriculture, Food and Markets, and the Vermont Attorney General, shall collaborate to identify the issues, stakeholders, and processes necessary to consider whether and how to:</u></p> <p><u>(1) provide Vermont businesses with a means of promoting and marketing products and services that are manufactured, designed, engineered, or formulated in Vermont and to avoid confusion by consumers when the Vermont brand is used in marketing products or services; and</u></p> <p><u>(2) harmonize the Vermont origin rule, the Made in Vermont initiative, the proposed Vermont Products Program or similar initiative, and any other programs or initiatives the Secretaries and the Attorney General determine would be appropriate for such consideration.</u></p> <p><u>(b) On or before September 1, 2015, the Secretaries and the Attorney General shall submit a report on their findings and recommendations to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development.</u></p>	<p>Sec. 25a. VERMONT PRODUCTS PROGRAM; STUDY; REPORT</p> <p><u>(a) On or before September 1, 2015, the Agency of Commerce and Community Development, after consulting with appropriate stakeholders, shall report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development on creating a Vermont Products Program for the purpose of providing Vermont businesses with a means of promoting and marketing products and services that are manufactured, designed, engineered, or formulated in Vermont and avoiding confusion by consumers when the Vermont brand is used in marketing products or services.</u></p> <p><u>(b) The report required by this section shall describe the method, feasibility, and cost of creating a Vermont Products Program that includes the following elements:</u></p> <p><u>(1) The program shall include a licensing system that enables qualifying persons to make marketing claims concerning significant business activities occurring in Vermont, and to self-certify products and services that are manufactured, designed, engineered, or formulated in Vermont. Under this system, the Secretary shall identify and craft branding and marketing guidelines that concern whether and how qualifying products or services manufactured, designed, engineered, or formulated in Vermont can be properly claimed so as to be licensed. The licensing system shall permit an applicant to self-certify compliance with designated criteria and attest to the accuracy of claims authorized by the Secretary in order to obtain a license to advertise and promote a product or service using the licensed materials.</u></p> <p><u>(2) The program may charge an annual fee for the issuance of the license.</u></p> <p><u>(3) The program shall include an on-line application process that permits an applicant to obtain the license if he or she certifies compliance with criteria designated by the Secretary, attests to the accuracy of statements designated by the Secretary, and pays the required fee.</u></p> <p><u>(4) Licenses issued under the program shall include a provision requiring that disputes regarding the license be resolved by alternative dispute resolution. A person who objects to the issuance of a license may file a complaint with the Secretary, who shall refer it for alternative dispute resolution as provided in the license.</u></p> <p><u>(5) A special fund, comprising license fees and any monies appropriated by the General Assembly, may be created for the administration and advertising of the program.</u></p>
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		<p><u>(c) The report required by this section shall include a recommendation as to whether the Vermont Products Program should replace the rules regarding Vermont Origin adopted by the Attorney General.</u></p>
<p>Vermont Treasurer; 10% for Vermont; Local Investment Advisory Committee</p>	<p>Sec. 17. VERMONT STATE TREASURER; CREDIT FACILITY FOR LOCAL INVESTMENTS</p> <p><u>(a) Notwithstanding any other provision of law to the contrary, the Vermont State Treasurer shall have the authority to establish a credit facility of up to 10 percent of the State’s average cash balance on terms acceptable to the Treasurer consistent with the provisions of the Uniform Prudent Investor Act, 14A V.S.A. chapter 9.</u></p> <p><u>(b) The amount authorized in subsection (a) of this section shall include all credit facilities authorized by the General Assembly and established by the Treasurer prior to or subsequent to the effective date of this section, and the renewal or replacement of those credit facilities.</u></p> <p>Sec. 18. TREASURER’S LOCAL INVESTMENT ADVISORY COMMITTEE; REPORT</p> <p><u>(a) Creation of committee. The Treasurer’s Local Investment Advisory Committee is established to:</u></p> <p><u>(1) advise the Treasurer on funding priorities for credit facilities authorized by current law; and</u></p> <p><u>(2) address other mechanisms to increase local investment.</u></p> <p><u>(b) Membership.</u></p> <p><u>(1) The Committee shall be composed of the following members:</u></p> <p><u>(A) the State Treasurer or designee, who shall serve as Chair of the Committee;</u></p> <p><u>(B) the Commissioner of Financial Regulation or designee;</u></p> <p><u>(C) the Secretary of Commerce and Community Development or designee;</u></p> <p><u>(D) a senior officer of a Vermont bank, who shall be appointed by the Governor;</u></p> <p><u>(E) a member of the public, who shall be appointed by the Speaker of the House;</u></p>	<p>Sec. 26. VERMONT STATE TREASURER; CREDIT FACILITY FOR LOCAL INVESTMENTS</p> <p><u>(a) Notwithstanding any other provision of law to the contrary, the Vermont State Treasurer shall have the authority to establish a credit facility of up to 10 percent of the State’s average cash balance on terms acceptable to the Treasurer for purposes established by the Treasurer’s Local Investment Advisory Committee.</u></p> <p><u>(b) The amount authorized in subsection (a) of this section shall include all credit facilities authorized by the General Assembly and established by the Treasurer prior to or subsequent to the effective date of this section, and the renewal or replacement of those credit facilities.</u></p> <p>Sec. 27. TREASURER’S LOCAL INVESTMENT ADVISORY COMMITTEE; REPORT</p> <p><u>(a) Creation of committee. The Treasurer’s Local Investment Advisory Committee (Advisory Committee) is established to advise the Treasurer on funding priorities and address other mechanisms to increase local investment.</u></p> <p><u>(b) Membership.</u></p> <p><u>(1) The Advisory Committee shall be composed of six members as follows:</u></p> <p><u>(A) the State Treasurer or designee;</u></p> <p><u>(B) the Chief Executive Officer of the Vermont Economic Development Authority or designee;</u></p> <p><u>(C) the Chief Executive Officer of the Vermont Student Assistance Corporation or designee;</u></p> <p><u>(D) the Executive Director of the Vermont Housing Finance Agency or designee;</u></p> <p><u>(E) the Director of the Municipal Bond Bank or designee; and</u></p> <p><u>(F) the Director of Efficiency Vermont or designee.</u></p> <p><u>(2) The State Treasurer shall be the Chair of the Advisory Committee and shall</u></p>

	<p>(F) a member of the public, who shall be appointed by the President Pro Tempore of the Senate;</p> <p>(G) the executive director of a Vermont nonprofit organization that, as part of its mission, directly lends or services loans or other similar obligations, who shall be appointed by the Governor; and</p> <p>(H) the manager of the Vermont Economic Development Authority or designee;</p> <p>(I) the executive director of the Vermont Housing Finance Agency or designee;</p> <p>(J) the President of the Vermont Student Assistance Corporation or designee; and</p> <p>(K) the executive director of the Vermont Municipal Bond Bank or designee.</p> <p>(2) The State Treasurer shall be the Chair of the Advisory Committee and shall appoint a vice chair and secretary. The appointed members of the Advisory Committee shall be appointed for terms of six years and shall serve until their successors are appointed and qualified.</p> <p>(c) Powers and duties. The Advisory Committee shall:</p> <p>(1) meet regularly to review and make recommendations to the State Treasurer on funding priorities and using other mechanisms to increase local investment in the State of Vermont;</p> <p>(2) invite regularly State organizations and citizens groups to Advisory Committee meetings to present information on needs for local investment, capital gaps, and proposals for financing; and</p> <p>(3) consult with constituents and review feedback on changes and needs in the local and State investment and financing environments.</p> <p>(d) Meetings.</p> <p>(1) Meetings of the Advisory Committee shall occur at the call of the Treasurer.</p> <p>(2) A majority of the members of the Advisory Committee who are physically present at the same location or available electronically shall constitute a quorum, and a member may participate and vote electronically.</p> <p>(3) To be effective action of the Advisory Committee shall be taken</p>	<p>appoint a vice chair and secretary. The appointed members of the Advisory Committee shall be appointed for terms of six years and shall serve until their successors are appointed and qualified.</p> <p>(c) Powers and duties. The Advisory Committee shall:</p> <p>(1) meet regularly to review and make recommendations to the State Treasurer on funding priorities and using other mechanisms to increase local investment in the State of Vermont;</p> <p>(2) invite regularly State organizations and citizens groups to Advisory Committee meetings to present information on needs for local investment, capital gaps, and proposals for financing; and</p> <p>(3) consult with constituents and review feedback on changes and needs in the local and State investment and financing environments.</p> <p>(d) Meetings. The Advisory Committee shall meet no more than six times per calendar year. The meetings shall be convened by the State Treasurer.</p>
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	<p><u>by majority vote of the members at a meeting in which a quorum is present.</u></p> <p><u>(e) Report. On or before January 15, 2015, and annually thereafter, the Advisory Committee shall submit a report to the Senate Committees on Finance and on Government Operations and the House Committees on Ways and Means and on Government Operations. The report shall include the following:</u></p> <p><u>(1) the amount of the subsidies associated with lending through each credit facility authorized by the General Assembly and established by the Treasurer;</u></p> <p><u>(2) a description of the Advisory Committee’s activities; and</u></p> <p><u>(3) any information gathered by the Advisory Committee on the State’s unmet capital needs, and other opportunities for State support for local investment and the community.</u></p> <p>Sec. 18a. SUNSET <u>Secs. 17-18 of this Act shall be repealed on July 1, 2015.</u></p>	<p><u>(e) Report. On or before January 15, 2015, and annually thereafter, the Advisory Committee shall submit a report to the Senate Committees on Finance and on Government Operations and the House Committees on Ways and Means and on Government Operations. The report shall include the following:</u></p> <p><u>(1) the amount of the subsidies associated with lending through each credit facility authorized by the General Assembly and established by the Treasurer;</u></p> <p><u>(2) a description of the Advisory Committee’s activities; and</u></p> <p><u>(3) any information gathered by the Advisory Committee on the State’s unmet capital needs, and other opportunities for State support for local investment and the community.</u></p> <p><u>(f) It is the intent of the General Assembly that the Advisory Committee report described in subsection (e) of this section that is due on or before January 15, 2015 shall include a recommendation on whether to grant statutory authority to the Vermont Economic Development Authority to engage in banking activities.</u></p>
<p>Effective Dates</p>	<p>Sec. 37. EFFECTIVE DATES</p> <p><u>(a) This section and Sec. 20a (Public Service Board; rulemaking) shall take effect on passage.</u></p> <p><u>(b) The remainder of this act shall take effect on July 1, 2014, except that 16 V.S.A. § 2888(b)(3) (Vermont Strong loan forgiveness) shall take effect on July 1, 2015.</u></p>	<p>Sec. 29. EFFECTIVE DATES</p> <p><u>This act shall take effect on July 1, 2014, except that 16 V.S.A. § 2888(d) in Sec. 25 shall take effect on July 1, 2015.</u></p>