

# Journal of the Senate

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FRIDAY, APRIL 9, 2010

The Senate was called to order by the President.

## Devotional Exercises

Devotional exercises were conducted by the Reverend Lisa Ramson of Moretown.

## Message from the House No. 49

A message was received from the House of Representatives by Ms. H. Gwynn Zakov, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

**H. 760.** An act relating to the repeal or revision of certain boards and commissions.

**H. 774.** An act relating to approval of amendments to the charter of the city of South Burlington.

**H. 778.** An act relating to amending miscellaneous provisions in Vermont's public retirement systems.

**H. 791.** An act relating to the tax expenditure budget.

In the passage of which the concurrence of the Senate is requested.

## Bills Referred to Committee on Finance

House bills of the following titles, appearing on the Calendar for notice, and affecting the revenue of the state, under the rule were severally referred to the Committee on Finance:

**H. 647.** An act relating to misclassification of employees to lower premiums for workers' compensation and unemployment compensation.

**H. 772.** An act relating to alcoholic beverage tastings and other liquor licensing issues.

**Bills Referred**

House bills of the following titles were severally read the first time and referred:

**H. 760.**

An act relating to the repeal or revision of certain boards and commissions.  
To the Committee on Government Operations.

**H. 774.**

An act relating to approval of amendments to the charter of the city of South Burlington.  
To the Committee on Government Operations.

**H. 778.**

An act relating to amending miscellaneous provisions in Vermont's public retirement systems.  
To the Committee on Government Operations.

**H. 791.**

An act relating to the tax expenditure budget.  
To the Committee on Finance.

**House Proposals of Amendment Concurred In with Amendment; Rules Suspended; Bill Messaged****S. 288.**

House proposal of amendment to Senate bill entitled:

An act relating to the Vermont recovery and reinvestment act of 2010.

Was taken up.

The House proposes to the Senate that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* VRRRA 2010 Legislative Intent \* \* \*

**Sec. 1. LEGISLATIVE INTENT**

(a) This act is intended to supplement and support the programs and policies established in No. 54 (H.313) of the Acts of 2009, the Vermont Recovery and Reinvestment Act of 2009, and to provide other economic incentives.

(b) The provisions of this act provide short-term economic stimulus to certain sectors of the Vermont economy, and invest in long-term strategies that are consistent with the four principal goals of economic development identified by the commission on the future of economic development and codified in 10 V.S.A. § 3(b) as follows:

(1) Vermont's businesses, educators, nongovernmental organizations, and government form a collaborative partnership that results in a highly skilled multigenerational workforce to support and enhance business vitality and individual prosperity.

(2) Vermont invests in its digital, physical, and human infrastructure as the foundation for all economic development.

(3) Vermont state government takes advantage of its small scale to create nimble, efficient, and effective policies and regulations that support business growth and the economic prosperity of all Vermonters.

(4) Vermont leverages its brand and scale to encourage a diverse economy that reflects and capitalizes on our rural character, entrepreneurial people, and reputation for environmental quality.

(c) The programs identified in this act shall strive to meet the challenge of improving their economic development results by taking steps to meet the two outcomes for economic development stated in Sec. 8(b) of an Act Relating to Challenges for Change, No. 68 (S.286) of the Acts of the 2009 Adj. Sess. (2010): (1) Vermont achieves a sustainable annual increase in nonpublic sector employment and in median household income; and (2) Vermont attains a statewide, state-of-the-art telecommunications infrastructure. As also identified in the Challenges for Change Act, Sec. 8(a)(3) in S.286, such steps shall include:

(1) identifying measurable results of improvement;

(2) designing evidence-based economic development strategies to achieve these improvements and the four goals of economic development identified in 10 V.S.A. § 3;

(3) directing available state funds to these strategies; and

(4) using objective, data-based indicators to measure performance of these strategies.

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\* \* \* SFSF General Services Fund Appropriations \* \* \*

Sec. 2. STATE FISCAL STABILIZATION FUND; GENERAL SERVICES FUND; APPROPRIATIONS

(a) In fiscal year 2010, \$8,665,000.00 from the state fiscal stabilization fund general services fund that remains available to Vermont under the American Recovery and Reinvestment Act of 2009 (ARRA), Pub.L. No. 111-5, is hereby appropriated as prescribed in Secs. 3-10 of this act.

(b) For the specific purpose of ensuring SFSF funds are expended in a timely fashion and in accordance with the deadlines and restrictions established under ARRA, and also to ensure that the objectives of the appropriations contained herein are accomplished, the secretary of administration is authorized to substitute any authorized general fund appropriations for the SFSF appropriations in this section, and in such an event, the secretary is authorized to expend the SFSF funds on any other authorized general fund expenditure.

(c) It is the intent of the general assembly that, unless otherwise stated, the appropriations of SFSF funds made pursuant to this act are expended as quickly as possible so as to have an immediate stimulative impact on Vermont's economy. However, to the extent it is not feasible or prudent for a program to expend all funds in fiscal year 2010, the funds may be carried forward to fiscal year 2011 and otherwise expended in accordance with the provisions of this act.

(d) It is the intent of the general assembly that any program receiving SFSF funds pursuant to this act make all reasonable and practicable efforts to ensure that such funds are evenly and equitably distributed throughout the entire state of Vermont.

Sec. 3. ENTREPRENEURS' SEED CAPITAL FUND

The amount of \$400,000.00 is appropriated to the entrepreneurs' seed capital fund established under chapter 14A of Title 10.

Sec. 4. RURAL BROADBAND; VTA

The amount of \$3,165,000.00 is appropriated to the Vermont telecommunications authority (VTA) for the purpose of making broadband services available to at least 12,000 households or businesses in locations where such services are not currently available, as provided in 30 V.S.A. § 8079, as established in Sec. 11 of this act.

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Sec. 5. VERMONT EMPLOYMENT TRAINING PROGRAM

The amount of \$1,200,000.00 is appropriated to the department of economic, housing, and community development for grants for the Vermont employment training program established under 10 V.S.A. § 531.

Sec. 6. TOURISM AND MARKETING; MEDIA ADVERTISING

The amount of \$400,000.00 is appropriated to the department of tourism and marketing to increase the frequency of and expand the media buys in the state's key regional markets for Vermont's recreation and hospitality operations. These funds shall be expended in calendar year 2010 with the goal of increasing the number of visitors throughout all regions of the state this year.

Sec. 7. AGRICULTURE; VERMONT FARMERS

(a) The amount of \$778,000.00 is appropriated to the Vermont economic development authority (VEDA) to be used by the Vermont agricultural credit corporation for the Vermont agricultural credit program established under 10 V.S.A. § 374a to assist Vermont farmers with capital to meet operating and related needs.

(b) The amount of \$100,000.00 is appropriated to the Vermont sustainable jobs fund program established in 10 V.S.A. § 328 to further the initiatives of the farm-to-plate investment program established in 10 V.S.A. § 330, as provided in Sec. 13 of this act.

(c) The amount of \$122,000.00 is appropriated to the secretary of agriculture, food and markets to be transferred as follows:

(1) \$75,000.00 to the farm-to-school program established under 6 V.S.A. § 4721.

(2) \$22,000.00 to Vermont agricultural fairs.

(3) \$25,000.00 to the Vermont Association of Conservation Districts.

Sec. 8. CHAMPLAIN BRIDGE CLOSURE; GRANTS AND LOANS

(a) The amount of \$500,000.00 is appropriated to the agency of commerce and community development for a grant to the Addison County economic development corporation (ACEDC) for the purpose of providing grants and loans to businesses and organizations that have incurred economic losses as a direct result of the closure of the Lake Champlain bridge at Crown Point, with oversight and reporting provided by the Vermont office of economic stimulus and recovery.

(b) Grants for loss in revenue. The ACEDC shall award grants to any business or organization that, due to the bridge closure, suffered revenue losses of at least 20 percent during the fourth quarter of calendar year 2009 as compared with the same period in 2008. Awards under this subsection shall compensate up to 50 percent of uninsured losses.

(c) Grants for increased expenses. The ACEDC shall award grants to any business or organization for the purpose of compensating losses incurred during the fourth quarter of calendar year 2009 directly attributable to the closure of the bridge as follows:

(1) up to 75 percent of a documented, uninsured increase in transportation costs.

(2) up to 75 percent of documented, uninsured costs incurred in paying employee per diems to cover increased commuting time and expenses.

(3) up to 75 percent of documented, uninsured costs incurred for equipment rentals or the hiring of custom haulers necessary to continue business operations.

(d) Any grant made pursuant to subsections (b) and (c) of this section shall not exceed \$20,000.00. No business or organization shall be eligible for more than one grant. ACEDC shall not award more than \$150,000.00 in grants under this section.

(e) Loans. The ACEDC shall establish criteria for making low-or-no-interest loans to businesses and organizations negatively impacted by the closure of the Champlain Bridge. The loans shall be to assist such entities with maintaining payroll, ordering inventory, and covering operational expenses. The ACEDC shall establish underwriting criteria, and any other terms and conditions deemed necessary to carry out the purposes of this subsection. The ACEDC shall issue up to \$350,000.00 in aggregated loans.

(f) Unless other funds for administrative costs become available, the Addison County economic development corporation may use 0.5 percent of the appropriation made under this section for administrative costs.

(g) On November 1, 2010, all unexpended funds shall be transferred to the Vermont economic development authority (VEDA). In addition, all loan repayments shall be transferred to VEDA. Any funds received by VEDA pursuant to this subsection shall be transferred to the entrepreneurs' seed capital fund established under chapter 14A of Title 10. ACEDC may retain any interest.

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Sec. 9. VEDA; VERMONT JOBS FUND

The amount of \$1,700,000.00 is appropriated to the Vermont economic development authority to provide interest-rate subsidies on loans approved under the Vermont jobs fund established in 10 V.S.A. § 234.

Sec. 10. MICROBUSINESS DEVELOPMENT; INDIVIDUAL DEVELOPMENT ACCOUNTS

(a) The amount of \$100,000.00 is appropriated to community capital of Vermont for the job start loan fund to support low and moderate income business owners who do not have access to conventional bank loans.

(b) The amount of \$200,000.00 is appropriated to the office of economic opportunity within the Vermont department for children and families. These funds shall not be used to secure a federal match. Of this appropriation:

(1) \$100,000.00 shall be transferred to the individual development account (IDA) program; and

(2) \$100,000.00 shall be transferred to the micro-business development program.

\* \* \* VTA Broadband Infrastructure \* \* \*

Sec. 11. 30 V.S.A. § 8079 is added to read:

§ 8079. BROADBAND ADOPTION PROGRAM

(a) There is established the Vermont broadband adoption program to be administered by the Vermont telecommunications authority for the purposes of accelerating the subscription to and use of broadband Internet access by the public and increasing the sustainability of broadband networks in Vermont, especially in rural and underserved communities. Through this program, the authority shall insure that broadband service is provided to at least 12,000 households and businesses left unserved by private entities.

(b) The authority shall expend monies appropriated to the Vermont broadband adoption program consistent with this section.

(c) For purposes of this section, a “community” shall be a local geographic area of the state defined by the authority and consisting of one or more geographic areas with a defined boundary, including municipalities, telephone exchanges, ZIP codes, or census blocks.

(d) For purposes of this section, “broadband” service shall mean Internet access services which provide download speeds not less than 1.5 megabits per second and upload speeds not less than 200 kilobits per second. Service provided by satellite shall not qualify as “broadband.” In addition, the

authority shall give priority to broadband services which meet or exceed the minimum technical service characteristic objectives established pursuant to section 8077 of this title, and may adopt any new such objectives established pursuant to section 8077 of this title in place of the definition provided in this subsection.

(e) In each fiscal year in which funding is available for the program, the authority shall establish target communities in which it will offer incentives to broadband service providers. In selecting the target communities, the authority shall consider, to the extent possible:

(1) the proportion of homes and businesses in those communities without access to broadband service and without access to broadband service meeting the minimum technical service characteristic objectives established under section 8077 of this title;

(2) the level of adoption of broadband services by residential and business users within the community;

(3) opportunities to leverage or support other sources of federal, state, or local funding for the expansion or adoption of broadband service;

(4) the number of potential new subscribers in each community and the total level of funding available for the program; and

(5) the geographic location of selected communities and whether new target communities would further the goal of bringing broadband services to all regions of the state.

(f) For each target community, the authority shall seek proposals through a competitive process from broadband service providers who agree to improve, expand, or introduce broadband service in the community. The authority shall consider in its selection of broadband service providers the factors used in selecting the target communities, and also the quality of the proposed broadband services and the plans of applicants to market and promote the adoption of its broadband services in the target communities. Based on the number and quality of proposals received, the authority may seek additional proposals, adjust the boundaries of the communities it has defined, or elect to not provide assistance in some target communities.

(g) Broadband service providers that agree to receive assistance under this program for a target community shall within 18 months make broadband service available to all occupied nonseasonal home and business locations within the community at upload and download speeds which shall be specified in a grant agreement with the authority, which shall not be less than speeds

commonly offered by the broadband service provider in other areas it serves in the state.

(h) The authority shall provide a broadband service provider selected to receive assistance for a target community with a grant per new broadband subscriber in the target community. The amount of the grant shall be equal to a monthly refund level established by the authority. Prior to July 1, 2013, the authority shall establish a monthly refund level not exceeding \$20.00 per month. Grants shall be sufficient to provide the monthly refund level for a period of 12 months. The broadband service provider shall apply the amount of the monthly refund level as a credit to the amount owed by a subscriber for service. The authority may require new subscribers to claim the credit on line, which may include initiating one or more on-line transactions with state services offered on line. To the extent possible and consistent with the cost-effective administration of the program, the authority shall limit grants awarded such that they are awarded for subscribers who have not previously had broadband service available in the target community.

(i) Prior to distribution of grant funding, the authority shall seek and obtain a reasonable demonstration that a selected broadband service provider has adequate capital funding available to complete the expansion of service required by subsection (g) of this section.

(j) Broadband service providers that agree to receive assistance under this program shall offer a broadband service on at least one tier of service at a price that shall not exceed the amount of the monthly refund level for one year after the subscriber initiates service. Broadband providers may offer additional tiers of broadband service or bundles of broadband service and other services without limit on price due to participation in this program.

(k) For good cause, if no satisfactory proposals to provide service in a target community are received, the authority may provide partial or full refunds for reasonable nonrecurring charges associated with initiation of service and may either establish for a target community a monthly grant level higher than otherwise allowed by subsection (h) of this section, or modify the price limitations of subsection (j) of this section, or both. In no case shall the monthly refund level exceed the price of the lowest tier of broadband service offered in a target community.

(l) During any quarter it receives assistance under this program, a broadband service provider shall provide information regarding broadband service availability, adoption, speed, and price to the entity selected by the National Telecommunications and Information Administration to receive funding for broadband data collection in Vermont under the state broadband

data and development grant program established under the American Recovery and Reinvestment Act of 2009, Pub.L. No. 111-5 and the Broadband Data Improvement Act of 2008, P.L. No. 110-385.

(m) The authority may use up to 10 percent of the funds appropriated to the program to provide financial incentives for new subscribers in target communities to conduct transactions with state government on line instead of in person or in paper form, not to exceed \$50.00 per new subscriber. Notwithstanding any other provision of this section, the authority may use up to 50 percent of the funds appropriated to the program to provide any state match which may be required if Congress extends the federal telephone lifeline program to include broadband service, or if Congress enacts any other program to provide financial assistance for low income consumers of broadband service as it may be defined under federal law. If the authority acts pursuant to this subsection, it shall send notice to the commissioner of public service, the speaker of the house, and the president pro tempore of the senate. Upon receipt of such notice, the commissioner of public service shall make a recommendation to the general assembly within six months regarding changes to Vermont statutes or rules regarding the telephone lifeline program and changes which may be required to provide ongoing support for a similar program for broadband.

(n) Of the funds appropriated to the broadband adoption program, the authority may use up to five percent for administration of the funds received.

(o) On or before January 1, 2011, the authority shall submit a report to the house committee on commerce and community development and the senate committee on economic development, housing and general affairs that details the progress it has made in reaching the goals of the broadband adoption program established by this section, specifically in terms of reaching the 12,000 unserved Vermonters.

\* \* \* Agreements Pertaining to Telecommunications Facilities \* \* \*

Sec. 12. 30 V.S.A. § 8079 is added to read:

§ 8079. AGREEMENTS; TELECOMMUNICATIONS FACILITIES

In awarding loans or grants to entities as permitted under subdivision § 8062(a)(6) of this title, the authority shall develop terms and conditions applicable to agreements covering telecommunications infrastructure that ensure payments accrue in reasonable installments and at reasonable intervals, particularly with respect to the time period commencing after an agreement is entered into but before the telecommunications facility that is the subject of the agreement is ready for commercial use.

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\* \* \* Farm-to-Plate Investment Program \* \* \*

Sec. 13. FARM-TO-PLATE INVESTMENT PROGRAM

The funds received pursuant to Sec. 7(b) of this act shall be used to further the initiatives of the farm-to-plate investment program established in 10 V.S.A. § 330 and support entities that will enhance the production, storage, processing, and distribution infrastructure of the Vermont food system. The funds shall be competitively awarded by the program director, in consultation with the secretary of agriculture, food and markets and the Vermont sustainable agriculture council, in the form of grants to nonprofit farmers' markets and like entities that are ready to implement their business plans or expand their existing operations to provide additional capacity and services within the food system. The funds also may be used for the coordination and implementation of the recommendations contained in the strategic plan of the farm-to-plate investment program.

Sec. 13a. 10 V.S.A. § 330(c)(4) is added to read:

(4) The farm-to-plate investment program strategic plan shall also include recommendations regarding measurable outcomes that shall be tracked over the ten-year life of the plan; methods for the ongoing collection of data necessary to track those outcomes; plans for updating the plan as needed; and appropriate methods to track the ongoing economic contribution of the farm and food sector to the Vermont economy.

\* \* \* Audit Strategy for Job Creation \* \* \*

Sec. 14. AUDIT STRATEGY; JOB CREATION

On or before January 1, 2011, the state auditor of accounts shall develop and recommend to the house committee on commerce and economic development and the senate committee on economic development, housing and general affairs an audit strategy designed to comprehensively validate job-creation programs in Vermont. The audit strategy shall seek to incorporate design elements that take into account possible "job inflation" caused by multiple economic development programs claiming creation of the same job.

\* \* \* Increased Moral Obligation for Vermont Jobs Fund \* \* \*

Sec. 15. 10 V.S.A. § 219(d) is amended to read:

(d) In order to assure the maintenance of the debt service reserve requirement in each debt service reserve fund established by the authority, there may be appropriated annually and paid to the authority for deposit in each such fund, such sum as shall be certified by the chair of the authority, to the governor or the governor-elect, the president of the senate, and the speaker

of the house, as is necessary to restore each such debt service reserve fund to an amount equal to the debt service reserve requirement for such fund. The chair shall annually, on or about February 1, make, execute, and deliver to the governor or the governor-elect, the president of the senate, and the speaker of the house, a certificate stating the sum required to restore each such debt service reserve fund to the amount aforesaid, and the sum so certified may be appropriated, and if appropriated, shall be paid to the authority during the then current state fiscal year. The principal amount of bonds or notes outstanding at any one time and secured in whole or in part by a debt service reserve fund to which state funds may be appropriated pursuant to this subsection shall not exceed ~~\$70,000,000.00~~ \$100,000,000.00, provided that the foregoing shall not impair the obligation of any contract or contracts entered into by the authority in contravention of the Constitution of the United States.

\* \* \* VEDA: Increased Flexibility for Inter-Fund Lending Transfers \* \* \*

Sec. 16. 10 V.S.A. § 234 is amended to read:

§ 234. THE VERMONT JOBS FUND

\* \* \*

(c) Monies in the fund may be loaned to the Vermont agricultural credit program to support its lending operations as established in chapter 16A of this title at interest rates and on terms and conditions to be set by the authority ~~to establish a line of credit in an amount not to exceed \$30,000,000.00 to be advanced to the Vermont agricultural credit program to support its lending operations as established in chapter 16A of this title.~~

(d) Monies in the fund may be loaned to the Vermont small business development corporation to support its lending operations as established pursuant to subdivision 216(14) of this title at interest rates and on terms and conditions to be set by the authority ~~to establish a line of credit in an amount not to exceed \$3,000,000.00 to be advanced to the Vermont small business development corporation to support its lending operations as established pursuant to subdivision 216(14) of this title.~~

(e) Monies in the fund may be loaned to the Vermont 504 corporation to support its lending operations as established pursuant to subdivision 216(13) of this title at interest rates and on terms and conditions to be set by the authority.

\* \* \* VEDA: Extension of Time for Economic Recovery and Opportunity Program \* \* \*

Sec. 17. Sec. 5.507 of No. 192 of the Acts of the 2007 Adj. Sess. (2008) shall be amended to read:

Sec. 5.507. VEDA – ECONOMIC RECOVERY AND OPPORTUNITY PROGRAM

(a) The state treasurer in consultation with the secretary of administration shall negotiate an agreement to advance up to \$1,250,000 to the Vermont economic development authority (“VEDA”) in fiscal year 2009.

~~(b) In fiscal 2009, a write-down of the advance in the amount of \$257,000 shall be made as an estimate of subsidy costs to be incurred by VEDA in 2009. Any difference between the actual subsidy costs incurred by VEDA in any fiscal year 2009 through 2013 shall be adjusted in the following year’s write-down amount.~~

(e) VEDA shall submit the advance agreement to the state treasurer and secretary of administration; said agreement shall include the following:

~~(1) The agreement shall be structured to allow a structure that allows VEDA flexibility to use the subsidy funds in the most effective way to generate new loan volume as quickly as possible to act as a stimulant to the Vermont economy; and~~

~~(2) Terms terms of repayment or write-down of the advance in years 2010 through 2013 shall be contingent on VEDA’s demonstrated use of the advance proceeds, and any interest earned thereon, to offset the revenue lost by VEDA over the same period as a result of subsidies made by VEDA to its borrowers.~~

~~(3) The subsidies to VEDA borrowers will be for a maximum of three years from the date of closing of each enrolled loan.~~

~~(4) A maximum of \$18 million in VEDA loans can be made under the program over a 24 month period commencing on the effective date of the legislation.~~

~~(5) The program will terminate when all VEDA borrowers enrolled in the program have completed their respective three year subsidy periods.~~

~~(d)(c)~~ Upon termination of the program any amount of the advance, or the interest earned thereon, not used for the subsidy program shall be repaid by VEDA to the state.

\* \* \* Recovery Zone Facility Bond (RZFB) Program \* \* \*

Sec. 18. RZFB PROGRAM; PUBLIC OUTREACH

(a) The American Recovery and Reinvestment Act of 2009 (ARRA), Pub.L. No. 111-5, allocates authority for the issuance of \$135,000,000.00 of

recovery zone facility (private activity) bonds to Vermont, which must be issued before the end of calendar year 2010.

(b) The federal government issued the bonding authorizations to 11 of Vermont's 14 counties; however, in the opinion of the Vermont attorney general, Vermont counties do not have the necessary authority to issue or authorize others to issue facility bonds. ARRA allows the counties to waive their allocations to state government, which they did. In October 2009, the emergency board approved a plan designating the Vermont economic development authority (VEDA) as the entity responsible for issuing the bonds.

(c) The recovery zone facility bond (RZFB) program is designed to aid certain businesses through the issuance of tax-exempt bonds. Tax-exempt bonds traditionally carry lower interest rates than conventional bank loans because income earned by purchasers of these bonds is exempt from federal and, in some cases, state tax. VEDA is encouraged to take any steps necessary to increase public awareness of the RZFB program.

(d) VEDA is authorized to increase the current \$25,000,000.00 cap per project to \$50,000,000.00.

\* \* \* Recovery Zone Economic Development Bond (RZEDB) Program \* \* \*

#### Sec. 19. RZEDB; PUBLIC OUTREACH

(a) The American Recovery and Reinvestment Act of 2009 (ARRA), Pub.L. No. 111-5, allocates authority for the issuance of \$90,000,000.00 of recovery economic development bonds to Vermont. The Vermont municipal bond bank is responsible for issuing the bonds, which must be issued before the end of calendar year 2010.

(b) The recovery zone economic development bonds (RZEDBs) are a category of Build America Bonds (BABs), and sometimes referred to as "super BABs." They reduce by 45 percent the cost of the kind of tax-exempt bonding normally done by towns, counties, school districts, and the state. They may be used to fund capital expenditures for real and personal property; public infrastructure and facilities; and expenditures for job training and education programs.

(c) The Vermont municipal bond bank, in consultation with the Vermont League of Cities and Towns, shall make all reasonable efforts to inform public entities in Vermont about the availability, terms, and conditions of REZDBs to Ensure that Vermont, as a whole, is able to maximize the use of these favorable instruments of economic development.

\* \* \* Legislative Priorities for ARRA Funds \* \* \*

Sec. 20. LEGISLATIVE PRIORITIES FOR ARRA FUNDS

With respect to federal funds potentially available to the state of Vermont as competitive funds under the ARRA and in addition to any other legislatively identified priorities established with regard to ARRA funds, the general assembly establishes the following equal priorities as outlined in this section.

(1) Railroad projects determined by the Vermont office of economic stimulus and recovery as being consistent with Vermont's transportation plan.

(2) With respect to passenger rail funds requested by the state, funds for making upgrades to passenger rail service along the western corridor, such as the Ethan Allen Express improvements and extension corridor program. This corridor program consists of track and crossing improvements and a bridge project along the existing Ethan Allen Express Amtrak route as well as an extension of that service from Hoosick, NY to Bennington, from Bennington to Rutland and from Rutland to Burlington. The program will serve to support intercity passenger rail service through the most populous area of the state and further connect vital economic regions of the state to each other and to the state of New York.

(3) Telecommunications projects determined by Vermont's chief technology officer as being consistent with the goals and policies established under chapter 91 of Title 30.

Sec. 21. REPEAL; PRIORITIES FOR MUNICIPAL TELECOMMUNICATIONS

Sec. 17(d) of No. 54 of the Acts of 2009 (municipal priorities for municipal communications services) is repealed.

Sec. 22. COORDINATION OF FARM-TO-PLATE, FARM-TO-SCHOOL, AND FARM-TO-INSTITUTIONS PROGRAMS

For the purposes of avoiding duplication of administration and better coordinating resources, the Vermont farm-to-plate investment program, in consultation with the secretary of agriculture, shall include in its strategic plan for agricultural economic development required by 10 V.S.A. § 330(c)(1), a recommendation for the oversight and coordination of the farm-to-plate investment program established under 10 V.S.A. § 330, the farm-to-school program established under 6 V.S.A. § 4721, and any other farm-to-institutions partnerships designed to increase institutional purchases of fresh, locally grown food.

\* \* \* Public Service Board: Smart Grid; Notice \* \* \*

Sec. 23. 30 V.S.A. § 218(b)(3) is added to read:

(3) If the board approves or requires a utility to adopt a rate design that includes dynamic pricing, the board may alter or waive the notice and filing provisions that would otherwise apply under section 225 of this title for such real-time pricing rate plan, provided the board insures that each customer receives notice of the price of electricity the customer will be charged in advance of the time at which the customer uses the electricity.

\* \* \* Study: Buy Local \* \* \*

Sec. 24. STUDY ON STATE PURCHASE OF LOCAL GOODS AND SERVICES

The secretary of administration shall conduct a study to evaluate the opportunities and feasibility of increasing the volume of state purchases of both goods and services from local suppliers. The secretary shall report his or her findings to the house committee on commerce and economic development and the senate committee on economic development, housing and general affairs on or before January 15, 2011.

\* \* \* Digital Nonprofit Corporations \* \* \*

Sec. 25. 11B V.S.A. § 1.20 is amended to read:

§ 1.20 FILING REQUIREMENTS

\* \* \*

(c) The document must be typewritten or printed or, if electronically transmitted, it must be in a format that can be retrieved or reproduced in typewritten or printed form or in an electronic format prescribed by the secretary of state.

\* \* \*

(g) If the secretary of state has prescribed a mandatory form or electronic format for a document under section 1.21 of this title, the document must be in or on the prescribed form.

\* \* \*

Sec. 26. 11B V.S.A. § 1.21(a) is amended to read:

(a) The secretary of state may prescribe the form or electronic format of and furnish on request, forms or specifications for formats for:

(1) an application for a certificate of existence;

- (2) a foreign corporation's application for a certificate of authority to transact business in this state;
- (3) a foreign corporation's application for a certificate of withdrawal; and
- (4) the biennial report.

Sec. 27. 11B V.S.A. § 1.23 is amended to read:

§ 1.23. EFFECTIVE DATE OF DOCUMENT

(a) Except as provided in subsection (b) of this section, ~~section~~ subsection 1.24(c) of this title, and section 2.03 of this title, a document is effective:

(1) at the time of filing on the date it is filed, as evidenced by ~~the secretary of state's endorsement on the original document~~ any means the secretary of state may use for the purpose of recording the date and time of filing; or

(2) at the time specified in the document as its effective time on the date it is filed.

\* \* \*

Sec. 28. 11B V.S.A. § 1.24(a) is amended to read:

(a) A domestic or foreign corporation may correct a document filed by the secretary of state if the document:

- (1) contains an incorrect statement; or
- (2) was defectively executed, attested, sealed, verified, or acknowledged; or
- (3) was undeliverable because the electronic transmission was defective.

Sec. 29. 11B V.S.A. § 1.25(b) is amended to read:

(b) The secretary of state files a document by ~~stamping or otherwise endorsing~~ recording it as "Filed," together with the secretary of state's name and official title ~~and on~~ on the date and the time of receipt, on both the ~~original and copy of the~~ record of the document and on the record of the receipt for the filing fee. After filing a document, except as provided in sections 5.03 and 15.10 of this title, the secretary of state shall deliver a copy of the document ~~copy~~ to the domestic or foreign corporation or its representative.

Sec. 30. 11B V.S.A. § 1.27 is amended to read:

§ 1.27. EVIDENTIARY EFFECT OF COPY OF FILED DOCUMENT

~~(a) A certificate attached to a copy of a document bearing the secretary of state's signature (which may be in facsimile) and the seal of this state or a certificate as to the nonexistence of records relating to a corporation is conclusive evidence as to whether or not the original is on file with the secretary of state.~~

~~(b) A certificate by the secretary of state that a diligent search has failed to locate documents claimed to be filed with the secretary of state shall be taken and received in all courts, public offices, and official bodies as prima facie evidence of the existence or nonexistence of the records in the custody of the secretary of state.~~

~~(c) The secretary of state's filing of the articles of incorporation is conclusive proof that the incorporators satisfied all conditions precedent to incorporation except in a proceeding by the state to cancel or revoke the incorporation or involuntarily dissolve the corporation.~~

A certificate from the secretary of state delivered with a copy of a document filed with the secretary of state is conclusive evidence that the document is on file with the secretary of state.

Sec. 31. 11B V.S.A. § 1.40 is amended to read:

§ 1.40. DEFINITIONS

\* \* \*

(4) "Bylaws" means the code or codes of rules (other than the articles) adopted pursuant to this title for the regulation or management of the affairs of the corporation, stored or depicted in any tangible or electronic medium, and irrespective of the name or names by which such rules are designated.

\* \* \*

(8) "Deliver" ~~includes mail~~ or "delivery" means any method of delivery used in conventional commercial practice, including delivery by hand, mail, commercial delivery, and electronic transmission.

\* \* \*

(35) "Electronic transmission" or "electronically transmitted" means a process of communication not directly involving the physical transfer of paper that is suitable for the retention, retrieval, and reproduction of information by the recipient.

(36) “Meeting” means any structured communications conducted by participants in person or through the use of an electronic or telecommunications medium permitting simultaneous or sequentially structured communications.

(37) “Sign” or “signature” includes any manual, facsimile, conformed, or electronic signature.

Sec. 32. 11B V.S.A. § 1.41(b) and (c) are amended to read:

(b) Notice may be communicated in person; by telephone, voice mail, telegraph, teletype, facsimile, or other form of wire ~~or~~ wireless, or electronic communication; or by mail or private carrier, or other method of delivery. If these forms of personal notice are impracticable, notice may be communicated by a newspaper of general circulation in the area where published; or by radio, television, or other form of public broadcast communication.

(c) Notice to members. Written notice by a domestic or foreign corporation to its members, if in a comprehensible form, is effective when:

(1) mailed first class postpaid and correctly addressed to the members address as shown in the corporation’s current record of members; or

(2) electronically transmitted to the member in a manner authorized by the member.

Sec. 33. 11B V.S.A. § 7.01(f) is amended to read:

(f) An annual or regular meeting may be conducted by means of any electronic or telecommunications mechanism, including video-conferencing telecommunication.

Sec. 34. 11B V.S.A. § 7.02(f) is amended to read:

(f) A special meeting may be conducted by means of any electronic or telecommunications mechanism, including video-conferencing telecommunication.

Sec. 35. 11B V.S.A. § 7.04(e) is added to read:

(e) For purposes of this section, written consent may be evidenced by an electronic communication or an electronic record.

Sec. 36. 11B V.S.A. § 8.20(c) is amended to read:

(c) Unless the articles of incorporation or bylaws provide otherwise, a board may permit any or all directors to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication, including an electronic, telecommunications, and video- or

audio-conferencing conference telephone call, by which all directors participating may simultaneously ~~hear~~ communicate with each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

Sec. 37. 11B V.S.A. § 16.01(d) and (e) are amended to read:

(d) A corporation shall maintain its records in written form or in another form, including electronic form, capable of conversion into written form within a reasonable time.

(e) A corporation shall keep a copy of the following records at its principal office (or, if none in this state, then the registered office):

\* \* \*

(5) all written or electronic communications to members generally within the past three years, including the financial statements furnished for the past three years under section 16.20 of this title;

\* \* \*

Sec. 38. 11A V.S.A. § 2.06(b) is amended to read:

(b) The bylaws of a corporation may contain any provisions for managing the business and regulating the affairs of the corporation that are not inconsistent with law or the articles of incorporation, and may be stored or depicted in any tangible or electronic medium.

\* \* \* Vermont Public Power Supply Authority \* \* \*

Sec. 39. 30 V.S.A. § 5012 is amended to read:

#### § 5012. GENERAL POWERS AND DUTIES

The authority shall have all of the powers necessary and convenient to carry out this chapter, including without limitation those general powers provided a business corporation by section 1852 of Title 11, and including, without limiting the generality of the foregoing, the power:

\* \* \*

(12) ~~jointly or~~ jointly with utilities or on its own to plan, finance, acquire, construct, improve, purchase, operate, maintain, use, share costs of, own, lease, sell, dispose of, or otherwise participate in projects or portions of projects, the product or service from them, securities or obligations issued or incurred in connection with the financing of them, or research and development relating to them, within or outside the state. It may also enter into and perform contracts with any person with respect to the foregoing. If

the authority acquires or owns an interest as a tenant in common with others in any projects within the state, the surrender or waiver by the other property owner of its right to partition the property for a period not exceeding the period for which the property is used or useful for electric utility purposes shall not be invalid and unenforceable by reason of length of the period, or as unduly restricting the alienation of such property;

\* \* \*

(17) to make and execute all contracts and agreements and other instruments necessary or convenient in the exercise of the powers and functions of the authority under this chapter; ~~and~~

(18) to enter into contracts determined by the authority to be useful for the prudent management of its assets, purchases, funds, debts, or fuels, including interest rate or other swaps, option contracts, future contracts, forward purchase contracts, hedging contracts, and leases or other risk management instruments to the full extent that a business corporation is authorized to enter into such contracts;

(19) to acquire stock, shares, securities, membership units, or other equity or participation interests in entities that directly or indirectly construct, own, or operate electric generation or transmission facilities within or outside the state to the full extent that a business corporation is authorized to acquire such interests; and

~~(18)~~(20) to do all things necessary, convenient or desirable to carry out the purposes of this chapter or the powers expressly granted or necessarily implied in this chapter.

Sec. 40. 30 V.S.A. § 5013 is amended to read:

§ 5013. SPECIAL POWERS

\* \* \*

(c) A municipality or cooperative shall be obligated to fix, revise and collect fees and charges for electric power and energy and other services, facilities and commodities furnished or supplied through its electric ~~department~~ ~~or~~ system at least sufficient to provide revenues adequate to meet its obligations under any such output and capacity contract and to pay all other amounts payable from or constituting a charge and lien upon those revenues.

\* \* \*

(e) The authority and any member municipality or cooperative or other utility (whether or not such utility is a member of the authority) that is acting

pursuant to a contract with the authority may expend its funds, including without limitation the proceeds of its notes, bonds, or other obligations, for the purposes of modifying demand for electric capacity or energy through conservation or load management by participation in such facilities, projects, and programs as the board of the authority or the legislative body or other governing body or the governing board of the member municipality or cooperative or other utility, as the case may be, determines will effectively accomplish such purposes. Such facilities, projects, and programs may include, but shall not be limited to, providing or financing facilities or projects for conservation or load management, which may be: (i) owned or operated by the authority or any member municipality or cooperative or other utility or by others; (ii) leased or licensed by the authority or any member municipality or cooperative or other utility to others, or financed by ~~loans~~ loans by the authority or any member municipality or cooperative or other utility to others, in either case on such terms and conditions as the board of the authority or the legislative body or other governing body or the governing board of the member municipality or cooperative or other utility, as the case may be, may determine. Any member municipality or cooperative or other utility may issue its notes, bonds or other obligations pursuant to any statutory authority conferring such power for carrying out the purposes of this subsection.

Sec. 41. 30 V.S.A. § 5017 is amended to read:

§ 5017. POWERS OF MUNICIPALITIES

~~A municipality, after an affirmative vote of the qualified voters at any duly warned annual or special meeting to be held for that purpose,~~ may by resolution of its legislative body enter into contracts with the authority for the purchase, sale, exchange, or transmission of electric energy and other services, on such terms and for such period of time as the resolution may provide. A municipality may by resolution of its legislative body enter into a contract with the authority related to the issuance of bonds and notes as authorized by section 5031 of this title only after an affirmative vote of the qualified voters at any duly warned annual or special meeting held for that purpose. The required vote may either approve a specific contract with the authority or it may approve generally the right for the municipality to enter into all such contracts with the authority by resolution of its legislative body. A municipality may appropriate electricity-derived revenues received in any year to make payments due during that year under any contract made by the municipality with the authority. Nothing in this section shall be construed to repeal any charter provision or law requiring an election or other condition precedent to the establishment of a municipal electric plant.

Sec. 42. 30 V.S.A. § 5031 is amended to read:

§ 5031. BONDS AND NOTES

(a)(1) The authority may issue its negotiable notes and bonds in such principal amount as the authority determines to be necessary to provide sufficient funds for achieving any of its corporate purposes, including the payment of interest on notes and bonds of the authority, establishment of reserves to secure the notes and bonds, and all other expenditures of the authority incident to and necessary or convenient to carry out its corporate purposes and powers. Without limiting the generality of the foregoing, such bonds and notes may be issued for project costs, or the authority's share of costs of projects which may include:

\* \* \*

(5) The notes and bonds shall be authorized by resolution or resolutions of the authority, shall bear such date or dates and shall mature at such time or times as the resolution or resolutions may provide. The bonds may be issued as serial bonds payable in annual installments or as term bonds or as a combination of them. The resolution or resolutions may provide that the notes and bonds bear interest at a given rate or rates, be in certain denominations, be in temporary, coupon or registered form, carry certain registration privileges, be executed in a given manner, be payable in a given medium of payment, at a place or places within or without the state, and be subject to specified terms of redemption. The authority may participate in any state or federally created or supported bond programs. The notes and bonds of the authority may be sold by the authority, at public or private sale, at such price or prices as the authority shall determine.

\* \* \*

\* \* \* International Trade Agreements: Prior Approval \* \* \*

Sec. 43. 9 V.S.A. chapter 111A is added to read:

CHAPTER 111A. APPROVAL OF INTERNATIONAL TRADE  
AGREEMENTS

§ 4125. FINDINGS AND PURPOSE

The general assembly makes the following findings of fact:

(1) Today's international trade agreements have impacts which extend significantly beyond the bounds of traditional trade matters such as tariffs and quotas. Restrictive government procurement rules, for example, may

undermine state purchasing laws and preferences that are designed to promote good jobs and a healthy environment.

(2) Economic development and environmental policies that might be constrained by government procurement provisions in international trade agreements include buy-local laws, recycled-content laws, and renewable energy purchasing requirements. Measures that conflict with obligations in one or more international trade agreements could be challenged as potential barriers to trade.

(3) Currently, the Office of the United States Trade Representative asks state governors, without input from state legislatures, whether they will commit state purchasing to trade rules. States, through their governors, may opt into or out of trade rules dealing with government procurement.

(4) Historically, the general assembly and the governor have worked together to adopt and implement state procurement policies. The decision to consent to the coverage of Vermont under procurement provisions of international trade agreements should also include consultation with the legislative branch.

(5) If new trade rules permit states to opt into or out of trade rules dealing with investment and services, in addition to procurement, then the general assembly intends for the procedures in this chapter to apply to those provisions as well.

#### § 4126. DEFINITIONS

As used in this chapter:

(1) “Commission” means the commission on international trade and state sovereignty established in 3 V.S.A. § 23.

(2) “International trade agreement” or “trade agreement” means a trade agreement between the federal government and a foreign country. It does not include a trade agreement between the state and a foreign country to which the federal government is not a party.

#### § 4127. APPROVAL OF TRADE AGREEMENTS

(a) If the United States government provides the state with the opportunity to consent to or reject binding the state to a trade agreement, or a provision within a trade agreement, then an official of the state, including the governor, may not bind the state or give consent to the United States government to bind the state in those circumstances, except as provided in this section.

(b) When a communication from the United States trade representative

concerning a trade agreement provision is received by the state, the governor shall submit a copy of the communication and the proposed trade agreement, or relevant provisions of the trade agreement, to the chairs of the commission, the president pro tempore of the senate, the speaker of the house of representatives, and the relevant legislative standing committees of jurisdiction.

(c) The commission shall review and analyze the trade agreement and issue a recommendation on the potential impact of the trade agreement to the governor.

(d) Prior to binding the state to the trade agreement, the governor shall consider the commission's recommendation and then shall report his or her intended action on the trade agreement to the members of the emergency board. A majority of the emergency board may request an opportunity to consider the issue at a meeting and make a recommendation to the governor prior to the governor binding the state.

(e) Upon completion of the consultation process provided for in this section, the governor may bind the state to the trade agreement.

Sec. 44. 3 V.S.A. § 23(b) is amended to read:

(b) Membership. There is created a commission on international trade and state sovereignty consisting of:

~~(1) the chair of the house committee on commerce or his or her designee~~ two legislators appointed by the speaker of the house;

~~(2) the chair of the senate committee on economic development, housing and general affairs or his or her designee~~ two legislators appointed by the committee on committees;

(3) a representative of a nonprofit environmental organization, appointed by the governor from a list provided by the Vermont Natural Resources Council;

(4) a representative of organized labor, appointed by the governor from a list provided by Vermont AFL-CIO, Vermont NEA, and the Vermont state employees' association;

(5) the secretary of commerce and community development or his or her designee;

(6) the attorney general or his or her designee;

(7) a representative of an exporting Vermont business, appointed by the governor; ~~and~~

(8) a representative of a Vermont business actively involved in international trade, appointed by the governor;

(9) the secretary of agriculture or his or her designee;

(10) a representative of a human rights organization, appointed by the governor; and

(11) a representative of a Vermont chamber of commerce, appointed by the governor.

\* \* \* Effective Date \* \* \*

#### Sec. 45. EFFECTIVE DATE

This act shall take effect on passage.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Illuzzi, on behalf of the Committee on Economic Development, Housing and General Affairs, moved that the Senate concur in the House proposal of amendment with an amendment as follows:

First: In Sec. 1, by striking out subsection (c) (relating to Challenges for Change steps and outcomes) in its entirety.

Second: In Sec. 2, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) In fiscal year 2010, \$8,665,000.00 from the state fiscal stabilization fund general services fund that remains available to Vermont under the American Recovery and Reinvestment Act of 2009 (ARRA), Pub.L. No. 111-5, shall be appropriated to the secretary of administration, who is directed to transfer the funds to the department of public safety for the costs of the state police. The secretary of administration is further directed to reduce the general fund appropriation for the state police by \$8,665,000.00. From the general fund, the amount of \$8,665,000.00 is hereby appropriated as prescribed in Secs. 3–10d of this act.

Third: In Sec. 2, by striking out subsection (b) (permitting the secretary of administration to swap general fund funds with SFSF funds) in its entirety and by relettering the remaining subsections accordingly.

Fourth: By striking out Sec. 3 in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

#### Sec. 3. ENTREPRENEURS' SEED CAPITAL FUND

(a) The amount of \$850,000.00 is appropriated to the entrepreneurs' seed capital fund established under chapter 14A of Title 10.

(b) This appropriation will supplement the \$1,000,000.00 of ARRA funds in the clean energy development fund transferred to the seed capital fund pursuant to Sec. 10f of this act as well as the \$2,150,000.00 appropriated to the fund under No. 54 of the Acts of 2009 and the \$1,000,000.00 in federal funds received by the fund manager, Vermont Center for Emerging Technologies, Inc. (VCET), from the economic development initiative of the United States Department of Housing and Urban Development and pledged as a match to the seed fund. In addition, H.789 of the 2010 legislative session (the big bill) contains an appropriation to VCET; however, these big-bill funds are intended to cover the operational costs of VCET in lieu of funding which will no longer be provided by the University of Vermont.

(c) Equity capital is a major basis upon which lenders make loan decisions. Unfortunately, early stage equity capital remains a vital financing gap for Vermont entrepreneurs, preventing job creation and new tax revenue generation. To accelerate job growth by helping emerging firms get across this funding gap, the entrepreneurs' seed capital fund was initiated last year. The fund manager has already identified 38 firms across Vermont in sectors such as life sciences, agriculture, energy, software, and manufacturing who are now seeking over \$45,000,000.00 in early-stage equity capital with an estimated three-year job creation of nearly 700 jobs. In order to attract high-potential firms and maximize this revolving fund's ability and competitiveness to leverage dollars both from newly available federal and from private sources, the size of the fund must be at least \$5,000,000.00.

(d) The entrepreneurs' seed capital fund is now focused on high-opportunity, value-adding employers rather than more general retail and services sectors, which currently have ample access to financial resources and lenders. In fact, in contrast to events last year, this year Vermont banks have seen dramatic increases in the making of commercial loans, and liquidity and credit in debt form have returned significantly. On the other hand, venture capital investment remains at dramatic lows, down nearly 33 percent in the last year alone.

(e) Vermont's capitalization of the entrepreneurs' seed capital fund represents a one-time investment in financial infrastructure that will revolve for at least 10 years. The seed fund does not require an annual state subsidy.

Fifth: By striking out Sec. 4 (relating to the broadband adoption program) in its entirety and inserting in lieu thereof a new Sec. 4 to read as follows:

#### Sec. 4. RURAL BROADBAND; VTA

(a) The amount of \$2,850,000.00 is appropriated to the Vermont telecommunications authority (VTA) for the purpose of making broadband

services available to at least 10,000 households or businesses in locations where such services are not currently available, as provided in 30 V.S.A. § 8079 as established in Sec. 11 of this act. Of the appropriation made in this subsection, up to \$500,000.00 may be used for upgrades in underserved business districts, as specified in 30 V.S.A. § 8079(e).

(b) No portion of the appropriation made in subsection (a) of this section shall be encumbered or disbursed until a detailed itemization of the specific manner in which the funds shall be spent is presented to and approved by the joint fiscal committee, after obtaining input from the senate committee on economic development, housing and general affairs and the house committee on commerce and economic development.

(c) The appropriation provided in subsection (a) of this section is in addition to the proposed appropriation to the VTA in the fiscal year 2011 capital bill, intended to allow VTA to construct telecommunications infrastructure (towers and fiber-optic cable). Together, these funds will allow the VTA to leverage access to moral obligation bonding as authorized under No. 79 of the Acts of 2007.

(d) Access to telecommunications and broadband services is this era's equivalent to rural electrification in the 1930s. It was viewed at that time as uneconomical, and private electric companies were unwilling to operate lines and distribute electricity in rural areas. Under the authority of the Rural Electrification Act of 1936, the United States Department of Agriculture began making direct loans and loan guarantees to electric utilities to serve customers in rural areas. Rural electrification is now viewed as an achievement that has been a tremendous force for positive social change and social equality in rural areas.

Sixth: By striking out Sec. 5 (relating to the employment training program) in its entirety and inserting in lieu thereof a new Sec. 5 to read as follows:

#### Sec. 5. VERMONT EMPLOYMENT TRAINING PROGRAM

(a) The amount of \$950,000.00 is appropriated to the department of economic, housing, and community development for grants for the Vermont employment training program established under 10 V.S.A. § 531.

(b) The appropriation provided in subsection (a) of this section, when combined with the proposed fiscal year 2011 \$1,700,000.00 appropriation, will add up to historic high funding for the training program. In fiscal year 2010, \$1,900,000.00 was appropriated to the training program.

(c) The Vermont training program works with businesses and educational institutions to develop programs targeting the manufacturing, health care,

information technology, telecommunications, and environmental engineering sectors and can cover up to 50 percent of the cost of training.

Seventh: By striking out Sec. 6 in its entirety and by inserting in lieu thereof a new Sec. 6 to read as follows:

Sec. 6. TOURISM AND MARKETING; MEDIA ADVERTISING

(a) The amount of \$300,000.00 is appropriated to the department of tourism and marketing to supplement the fiscal year 2010 \$1,950,000.00 appropriation (later subject to a rescission of \$181,000.00) to increase the frequency of and expand the media buys in the state's key regional markets for Vermont's winter recreation and hospitality operations. The additional media advertising is aimed at increasing the number of visitors that will decide to visit Vermont. Should circumstances require, a portion of the appropriation will be spent to supplement the planned \$600,000.00 spring and summer media advertising campaigns. The \$300,000.00 appropriation made in this subsection also supplements the \$100,000.00 appropriated to the Vermont Convention Bureau, which is attached to the Lake Champlain Regional Chamber of Commerce, in No. 54 of the Acts of 2009.

(b) Particularly during the current recession and at a time when other states, such as Connecticut, are curtailing their travel advertising, Vermont should continue to invest in marketing and tourism and optimize the opportunities to have a positive impact on our hospitality businesses.

Eighth: By adding a new section to be numbered Sec. 6a to read as follows:

Sec. 6a. AGRICULTURE; VERMONT FARMERS

(a) The amount of \$1,000,000.00 is appropriated to the Vermont economic development authority (VEDA) to be used by the Vermont agricultural credit corporation for the Vermont agricultural credit program established under 10 V.S.A. § 374a to assist Vermont farmers with capital to meet operating and related needs. With this appropriation, the agricultural debt consolidation program is expected to leverage \$21,000,000.00 in loan activity.

(b) This appropriation is intended to supplement the \$1,000,000.00 general fund appropriation to VEDA contained in No. 4 of the Acts of 2009 (the budget adjustment act), which was aimed at helping farmers meet spring 2009 operating expenses.

(c) Vermont lost more than 100 farms in the last two years alone and thousands in previous years. From January to July, 2009, 33 farms ceased operations. With every working farm that shuts down, Vermont suffers economically, environmentally, and socially.

(d) Based on numbers provided in the Northeast Dairy Herd summary prepared by the Farm Credit System for New England, the cost of dairy production at present exceeds the price farmers are paid for milk. The national dairy crisis in 2009 was caused by a decline in demand for dairy products on the national and international markets due to the global economic crisis. The imbalance in supply and demand caused the price paid to dairy farmers to decline by over 40 percent from 2008. The decline in milk prices has caused Vermont dairy farmers to either go out of business or go severely into debt and has created a great deal of hardship for dairy farmers and related businesses.

Ninth: In Sec. 7, by striking out subsection (a) (relating to the Vermont agricultural credit corporation) in its entirety and, in subsection (b) (relating to the farm-to-plate investment program), by adding a second sentence to read as follows: “This appropriation supplements the \$100,000.00 appropriation made to the program pursuant to No. 54 of the Acts of 2009.”

And by relettering the remaining subsections accordingly.

Tenth: By adding a new section to be numbered Sec. 7a to read as follows:

#### Sec. 7a. FARM-TO-INSTITUTION PARTNERSHIPS

(a) The amount of \$100,000.00 is appropriated to the secretary of agriculture, food and markets for the purpose of providing grants for capital upgrades or the development of programs to support farm-to-institution partnerships which can be used as models for similar partnerships throughout Vermont.

(b) The purpose of the farm-to-institution initiatives is to increase institutional purchases of fresh, locally grown food. The participation of institutional buyers such as hospitals, schools, and businesses will play an important role in stimulating greater local food production and keeping more money in the local economy and will further sustain the key role that agriculture plays in the vibrant past and future of Vermont’s economy.

(c) Another significant outcome of farm-to-institution programs is that as small farmers are able to secure contracts with large institutional purchasers, they are more likely to have access to financing. This is particularly true for nondairy farmers who generally do not have as many assets as dairy farmers have, such as land, machinery, and equipment, which can be used as collateral.

Eleventh: By striking out Sec. 8 (relating to the Champlain Bridge closure) in its entirety and inserting in lieu thereof a new Sec. 8 to read as follows:

Sec. 8. ADDISON COUNTY; CHAMPLAIN BRIDGE CLOSURE;  
VERMONT JOBS FUND

(a) The amount of \$800,000.00 is appropriated to the Vermont economic development authority (VEDA) to provide interest-rate subsidies through the Vermont jobs fund established under 10 V.S.A. § 234 and to provide loans to businesses negatively affected by the closure of the Lake Champlain bridge at Crown Point as provided in subsections (b) and (c) of this section.

(b) Addison County; Priority for Funds. For a period of 90 days after the enactment of this act, businesses and nonprofit health care organizations in Addison County that have incurred economic losses as a direct result of the closure of the Lake Champlain bridge at Crown Point may apply to VEDA for loans to assist with maintaining payroll, ordering inventory, and covering operational expenses, including increased expenses resulting from increased travel costs. VEDA shall make the loans from the Vermont jobs fund subject to the following requirements:

(1) The minimum loan issue shall be \$1,000.00; the maximum \$25,000.00.

(2) All applicants must have been in business and operational prior to October 16, 2009.

(3) Interest rates shall be established by the VEDA board of directors, but shall not exceed the current maximum interest rate applicable under the Vermont jobs fund and may be zero.

(c) With respect to loans made under subsection (b) of this section, VEDA shall establish underwriting criteria and standards to ensure that eligible businesses are credit-worthy but for the three-month closure of the Lake Champlain bridge at Crown Point; term limits are based upon individual business circumstances; criteria are established for determining which economic losses qualify as the direct result of the bridge closure; and any other terms and conditions it deems appropriate and necessary to accomplish the purposes of this section.

(d) Any appropriation not used to make loans to eligible Addison County businesses under subsection (b) of this section may be used by VEDA to make loans through the Vermont jobs fund to provide interest-rate subsidies to applicants unless there is a demonstrated financial need.

Twelfth: By striking out Sec. 9 (relating to the Vermont jobs fund) in its entirety and inserting in lieu thereof a new Sec. 9 to read as follows:

## Sec. 9. VEDA; VERMONT JOBS FUND

(a) The amount of \$1,000,000.00 is appropriated to the Vermont economic development authority to provide interest-rate subsidies on loans approved under the Vermont jobs fund established in 10 V.S.A. § 234.

(b) The appropriation made in subsection (a) of this section supplements the \$1,000,000.00 appropriation made to the Vermont jobs fund pursuant to No. 54 of the Acts of 2009. To date, with \$1,400,000.00 in subsidy funding (both state and ARRA funds), VEDA has been able to buy down the interest rate on commercial loans in the aggregate amount of approximately \$17,600,000.00. The proceeds of those loans have generated approximately \$58,000,000.00 of economic activity and from that amount have had a stimulative economic effect of \$28,000,000.00.

Thirteenth: By striking out Sec. 10 (relating to microbusiness programs) in its entirety and inserting in lieu thereof a new Sec. 10 to read as follows:

## Sec. 10. COMMUNITY CAPITAL OF VERMONT; JOB START LOAN FUND; INDIVIDUAL DEVELOPMENT ACCOUNTS

(a) The amount of \$100,000.00 is appropriated to community capital of Vermont for the job start loan fund to support low- and moderate-income business owners who do not have access to conventional bank loans. Community Capital of Vermont, Inc. is a community-based 501(c)(3) nonprofit serving the entire state of Vermont. Administration of the Vermont job start loan program was transferred from the Vermont economic development authority to Community Capital of Vermont as of May 1, 2008. In addition to financing, Community Capital of Vermont provides postloan technical assistance grants for specialized consulting services in the areas of marketing, financial management, inventory management, and human resources.

(b) The amount of \$73,000.00 is appropriated to the office of economic opportunity within the Vermont department for children and families to be transferred to the individual development account (IDA) program established in 33 V.S.A. § 1123.

Fourteenth: By adding a new section to be numbered Sec. 10a to read as follows:

## Sec. 10a. DOWNTOWN TAX CREDIT PROGRAM

(a) The amount of \$100,000.00 shall be transferred to the general fund in fiscal year 2011 to cover the costs of allocating \$100,000.00 worth of tax credits in calendar year 2010 under the downtown and village center program

pursuant to 32 V.S.A. § 5930ee, which amount is in addition to the statutory cap of \$1,700,000.00.

(b) Based on the past performance of the downtown tax credit program, the additional \$100,000.00 in tax credits authorized by this act will leverage an estimated \$1,500,000.00 in downtown rehabilitation, as well as enhance Vermont's downtowns and villages.

(c) In the Vermont Statutes Annotated, the annotations under 32 V.S.A. § 5930ee shall reflect the additional \$100,000.00 worth of tax credits authorized in calendar year 2010 pursuant to this section.

Fifteenth: By adding a new section to be numbered Sec. 10b to read as follows:

Sec. 10b. BTV; AVIATION TECHNICAL TRAINING CENTER

(a) The amount of \$150,000.00 is appropriated to the Burlington International Airport (BTV) to continue the process of planning and designing a new aviation technical training center.

(b) This appropriation supplements the \$1,000,000.00 grant in 2009 to BTV from the National Aeronautics and Space Administration (NASA) for the aviation technology training program, and a contemplated \$1,500,000.00 grant, also from NASA. NASA grants cannot be used for facility construction or planning.

(c) Tenants of the new building will include the technical training center, the Vermont Flight Academy, and the Vermont Technical College, which will support training and education leading to FAA certificates for up to 100 students annually. The current training program can only accommodate about six graduates per year.

(d) BTV shall consult with career centers and adult education directors from all regions of Vermont to develop a plan that ensures the aviation training program is available to students from all geographic regions in Vermont.

Sixteenth: By adding a new section to be numbered Sec. 10c to read as follows:

Sec. 10c. VERMONT FILM CORPORATION

(a) The amount of \$100,000.00 is appropriated to the Vermont film corporation to continue its work of creating jobs and growing the state's new media and film economy, as described in chapter 26 of Title 10. It is anticipated that the corporation will solicit funds from private sources pursuant

to its authority under 10 V.S.A. § 645(3) to cover the remaining balance of its operational and other business expenses.

(b) On or before January 15, 2011, the secretary of commerce and community development and the board of directors of the Vermont film corporation shall submit a recommendation to the senate committee on economic development, housing and general affairs and the house committee on commerce and economic development as to whether the work now done by the film corporation should be assumed by the department of tourism and marketing within the agency of commerce and community development or should remain with the film corporation.

(c) Given its unique blend of creative, cultural, and educational resources, Vermont currently has an opportunity to become a destination for a new media and film industry.

(d) Vermont is home to authors, filmmakers, producers, and young people concentrating their educational and professional development in the emerging fields of communications, multimedia and film production, graphic and digital design, and the performing arts.

(e) Vermont's natural and seasonal beauty and the charm and character of its towns and regions equal or surpass other potential destinations for the media and film industry, and these strengths position Vermont as an ideal location for filming and producing movies, television, commercials, and other media.

(f) Vermont is home to at least five institutions of higher education that provide one or more degrees or certificate programs in media or film sectors, including Burlington College's cinema studies and film production program; Champlain College's communications and creative media division; the University of Vermont's film and television studies program; Marlboro College's undergraduate programs in media, visual, and performing arts; the Johnson State College program which has produced five films to date exploring the history of various Vermont counties; and Castleton State College's concentrations in communication, mass media, and digital media.

(g) Considering these substantial resources, it is the goal of the general assembly to encourage and promote the development of a strong and dynamic media and film sector within Vermont's creative economy, but no longer to support with general fund dollars the operation of a stand-alone film corporation in and after fiscal year 2012.

Seventeenth: By adding a new section to be numbered Sec. 10d to read as follows:

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Sec. 10d. VTC; PARAMEDIC-LEVEL TRAINING PROGRAM

(a) The amount of \$70,000.00 is appropriated to the Vermont Technical College for the purpose of contributing to the development of a statewide paramedic-level training program.

(b) This appropriation will supplement the \$25,840.00 already committed to the program by Essex Rescue, and the combined amounts will enable the grant recipients to leverage an additional \$503,360.00 of federal funds from the Federal Emergency Management Agency.

(c) Vermont is currently the only state without a statewide paramedic training program. These funds appropriated in this section will initially provide training to 15 students in the northwest region of the state and will contribute to the development of Vermont's first statewide continuing education program for paramedics in Vermont.

Eighteenth: By adding a new section to be numbered Sec. 10e to read as follows:

Sec. 10e. 18 V.S.A. § 906 is amended to read:

§ 906. EMERGENCY MEDICAL SERVICES DIVISION;  
RESPONSIBILITIES

To implement the policy of section 901, the department of health shall be responsible for:

\* \* \*

(8) Establishing, by rule, levels of individual certification and application forms for advanced emergency medical care. The commissioner may use the guidelines established by the American College of Surgeons' Board of Regents as a standard or other similar standards, except that a felony conviction shall not necessarily disqualify an applicant. The rules shall also provide that:

(A) An individual may apply for and obtain one or more additional certifications as an emergency medical technician intermediate, paramedic, registered nurse emergency medical technician, or physician assistant emergency medical technician.

(B) An individual licensed or certified by the commissioner as an emergency medical technician or who holds one or more additional certifications shall be able to practice fully within his or her scope of training.

(C) An applicant seeking certification under this section other than an apprentice certification shall be 18 years of age or older. An individual under

18 years of age may enroll in any course necessary for certification and may obtain apprentice certification.

(D) An individual seeking any level of certification shall be required to pass an examination approved by the commissioner for that level of certification.

(E) If there is a hardship imposed on any applicant for a certification under this section because of unusual circumstances, the applicant may apply to the commissioner for a temporary waiver of the certification provisions of this section. The commissioner may for good cause waive one or more of the certification provisions of this section. An applicant who has served as an advanced emergency medical care provider as a member of the United States Armed Forces may be granted a temporary or permanent waiver of the certification provisions to practice in the same area of training and practice as long as the applicant complies with any continuing education and other certification maintenance requirements.

(F) No advanced certification shall be required for a student in established advanced training programs leading to certification as an advanced emergency medical care provider, provided that the student is supervised by an individual holding a level of certification for which the student is training and the student is enrolled in an approved training program.

(G) An advanced emergency medical care provider certified under this chapter may render advanced emergency medical care, rescue, and lifesaving services in those areas of training for which the person is certified without limitation on the individual's ability to practice.

Nineteenth: By adding Sec. 10f to read as follows:

Sec. 10f. CEDF; ARRA FUNDS; VERMONT SMALL-SCALE RENEWABLE ENERGY INCENTIVE PROGRAM; ENTREPRENEURS' SEED CAPITAL FUND

The general assembly finds that the Vermont small-scale renewable energy program, 10 V.S.A. § 6523(d)(1)(E)(ii), currently administered by the renewable energy resource center, is expected to receive \$5,275,000.00 in funding in 2010. These funds come from the American Recovery and Reinvestment Act of 2009 (ARRA), Pub.L. No-111-5, and the clean energy development fund established under 10 V.S.A. § 6523. Notwithstanding any other provision of law, the general assembly directs that \$1,000,000.00 of this amount be reallocated from the small-scale renewable energy program to the entrepreneurs' seed capital fund created under 10 V.S.A. § 291 to conduct ARRA-eligible activities related to "clean energy resources" or "emerging

energy-efficient technologies” as those terms are defined under 10 V.S.A. § 6523(b)(1) and (4), respectively.

Twentieth: By striking out Sec. 11 (relating to the broadband adoption program) in its entirety and inserting in lieu thereof a new Sec. 11 to read as follows:

Sec. 11. 30 V.S.A. § 8079 is added to read:

§ 8079. BROADBAND INFRASTRUCTURE; INVESTMENT

(a) To achieve the goals established in subsection 8060(b) of this title, the authority is authorized to invest in broadband infrastructure or contract with retail providers for the purpose of making services available to at least 10,000 households or businesses in target communities where such services are currently unavailable or to upgrade services in underserved business districts, as determined by the authority. For the purposes of this section, target communities shall not be considered unserved if a broadband provider has a legally binding commitment to provide service to those locations or a provider has received a broadband stimulus grant to provide service to those locations.

(b) To accomplish the purpose of this section, the authority shall publish a request for proposals for any or all of the following options for the purpose of providing broadband coverage to 100 percent of Vermont households and businesses within target communities: (1) the construction of physical broadband infrastructure, to be owned by the authority; (2) initiatives by public-private partnerships or retail vendors; or (3) programs that provide financial incentives to consumers, in the form of rebates for up to 18 months, for example, to ensure that providers have a sufficient number of subscribers.

(c) The authority shall review proposals and award contracts based upon the price, quality of services offered, positive experience with infrastructure maintenance, retail service delivery, and other factors determined to be in the public interest by the authority. In selecting target communities, the authority shall consider to the extent possible:

(1) the proportion of homes and businesses in those communities without access to broadband service and without access to broadband service meeting the minimum technical service characteristic objectives established under section 8077 of this title;

(2) the level of adoption of broadband service by residential and business users within the community;

(3) opportunities to leverage or support other sources of federal, state, or local funding for the expansion or adoption of broadband service;

(4) the number of potential new subscribers in each community and the total level of funding available for the program; and

(5) the geographic location of selected communities and whether new target communities would further the goal of bringing broadband service to all regions of the state.

(d) To the extent any funds appropriated by the general assembly are rendered unnecessary for the purpose of reaching unserved Vermonters due to a successful application to the broadband initiatives program under the Rural Utilities Service of the U.S. Department of Agriculture, such funds shall be placed in reserve by the authority to be used first to achieve 100-percent coverage pursuant to chapter 91 of Title 30 and, once that is achieved, to then deliver fiber-quality service to Vermont's public facilities, regional business hubs, and anchor businesses and institutions.

(e) Beginning July 1, 2010, the authority may invest up to \$500,000.00 for upgrades in broadband services in underserved business districts, as defined by the authority.

Twenty-first: In Sec. 13 (relating to the farm-to-plate investment program), in the first sentence, by striking out the following: "Sec. 7(b)" and inserting in lieu thereof the following: Sec. 7(a)

Twenty-second: By adding a new section to be numbered Sec. 14a to read as follows:

Sec. 14a. 10 V.S.A. § 531(i) is added to read:

(i)(1) Program Outcomes. The joint fiscal office shall prepare a training program performance report based on the following information submitted to it by the Vermont training program, which is to be collected from each participating employer and then aggregated:

(A) The number of full-time employees six months prior to the training and six months after its completion.

(B) For all existing employees, the median hourly wages prior to and after the training.

(C) The number of "new hires," "upgrades," and "crossovers" deemed eligible for the waivers authorized by statute and the median wages paid to employees in each category upon completion.

(D) A list and description of the benefits required under subdivision (c)(3) of this section for all affected employees, including the number of employees that receive each type of benefit.

(E) The number of employers allowed to pay reduced wages in high unemployment areas of the state, along with the number of affected workers and their median wage.

(2) Upon request by the secretary of commerce and community development, participating employers shall provide the information necessary to conduct the performance report required by this subsection. The secretary, in turn, shall provide such information to the joint fiscal office in a manner agreed upon by the secretary and the joint fiscal office. The secretary and the joint fiscal office shall take measures to ensure that company-specific data and information remain confidential and are not publicly disclosed except in aggregate form. The secretary shall submit to the joint fiscal office any program outcomes, measurement standards, or other evaluative approaches in use by the training program.

(3) The joint fiscal office shall review the information collected pursuant to subdivisions (1) and (2) of this subsection and prepare a training program performance report with recommendations relative to the program. The joint fiscal office shall submit its first training program performance report on or before January 15, 2011, to the senate committee on economic development, housing and general affairs and the house committee on commerce and economic development. A second performance report shall be submitted on or before January 15, 2016. In addition to the information evaluated pursuant to subdivision (1) of this subsection, the second report shall include recommendations as to the following:

(A) whether the outcomes achieved by the program are sufficient to warrant its continued existence.

(B) whether training program outcomes can be improved by legislative or administrative changes.

(C) whether continued program performance reports are warranted and, if so, at what frequency and at what level of review.

(4) The joint fiscal office may contract with a consultant to conduct the performance reports required by this subsection. Costs incurred in preparing each report shall be reimbursed from the training program fund up to \$15,000.00.

Twenty-third: By adding a new section to be numbered Sec. 14b to read as follows:

Sec. 14b. 10 V.S.A. § 531(b)(4) is added to read:

(4) the employer agrees to contribute 50 percent of the overall cost of any training program offered pursuant to this section. For purposes of this subdivision, the overall cost of a training program shall not include a trainee's salary or benefits, but may include the cost of training materials, tuition, and lost production time due to scheduled training.

Twenty-fourth: In Sec. 16 (relating to VEDA's inter-funding lending), by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c) Monies in the fund may be loaned to the Vermont agricultural credit program to support its lending operations as established in chapter 16A of this title at interest rates and on terms and conditions to be set by the authority to establish a line of credit in an amount not to exceed ~~\$30,000,000.00~~ \$60,000.00 to be advanced to the Vermont agricultural credit program to support its lending operations as established in chapter 16A of this title.

Twenty-fifth: By striking out Sec. 23 in its entirety and by inserting in lieu thereof a new Sec. 23 to read as follows:

Sec. 23. 30 V.S.A. § 218(b)(3) is added to read:

(3) Smart Grid. Notwithstanding any provision of law to the contrary, an applicant may propose and the board may approve or require an applicant to adopt a rate design that includes dynamic pricing, such as real-time pricing rates. Under such circumstances, the board may alter or waive the notice and filing provisions that would apply otherwise under section 225 of this title, provided the applicant ensures that each customer receives sufficient advance notice of the time-of-day usage rates.

Twenty-sixth: By striking out Sec. 24 in its entirety and by inserting in lieu thereof a new Sec. 24 to read as follows:

Sec. 24. STUDY ON STATE PURCHASE OF LOCAL GOODS AND SERVICES

The commissioner of buildings and general services, in consultation with interested parties including Vermont business groups, shall conduct a study to evaluate the opportunities and feasibility of increasing the volume of state purchases of both goods and services from local suppliers. The study shall include a presentation of the contracting obstacles to securing state contracts by locally owned businesses and may include recommendations for creating tools that would quantify the tangible and intangible benefits to the state for purchasing from Vermont-owned businesses. The commissioner shall report

his or her findings to the house committee on commerce and economic development and the senate committee on economic development, housing and general affairs on or before January 15, 2011.

Twenty-seventh: By striking out Sec. 43 (relating to the process for international trade agreement recommendations) in its entirety and inserting in lieu thereof a new Sec. 43 to read as follows:

Sec. 43. 9 V.S.A. chapter 111A is added to read:

CHAPTER 111A. APPROVAL OF INTERNATIONAL TRADE  
AGREEMENTS

§ 4125. FINDINGS AND PURPOSE

The general assembly makes the following findings of fact:

(1) Today's international trade agreements have impacts which extend significantly beyond the bounds of traditional trade matters such as tariffs and quotas. Restrictive government procurement rules, for example, may undermine state purchasing laws and preferences that are designed to promote good jobs and a healthy environment.

(2) As the subject matters contained within trade agreements expand, these agreements may impact on areas traditionally governed by the states, including economic development, financial investment, environmental policies, pharmaceutical policy, recreational services, utilities and energy distribution, and agricultural subsidies. The subject matter addressed by trade agreements is constantly evolving into new areas and becomes more likely over time to infringe on state law or policy.

(3) Specific examples in one area important to Vermont—state economic development and environmental policies—that might be constrained by government procurement provisions in international trade agreements include buy-local laws, electronic waste recycling laws, and renewable energy purchasing requirements. Measures that conflict with obligations in one or more international trade agreements could be challenged as potential barriers to trade.

(4) Input from states has been essential to the Office of the United States Trade Representative's understanding of state practices that may be impacted by policies in trade agreements. For example, after states protested that language in the Australia-United States trade agreement was ambiguous and created uncertainty as to whether it applied to Medicaid preferred drug lists, the United States specifically clarified in the Korea-United States trade agreement that similar pharmaceutical policies did not apply to Medicaid.

(5) Currently, the Office of the United States Trade Representative asks state governors, without input from state legislatures, whether they will commit state purchasing to trade rules. States, through their governors, may opt into or out of trade rules dealing with government procurement.

(6) Historically, the general assembly and the governor have worked together to adopt and implement state procurement policies. The decision to consent to the coverage of Vermont under procurement provisions of international trade agreements should also include consultation with and agreement by with the legislative branch.

(7) If future trade rules permit states to opt into or out of trade rules dealing with investment and services, in addition to procurement, then the general assembly intends for the procedures in this chapter to apply to those provisions as well.

(8) It is important for the state to provide information and recommendations to Congress and the United States trade representative about the possible impacts of proposed trade agreements on state law and policy.

#### § 4126. DEFINITIONS

As used in this chapter:

(1) “Commission” means the commission on international trade and state sovereignty established in 3 V.S.A. § 23.

(2) “International trade agreement” or “trade agreement” means a trade agreement between the federal government and a foreign country. It does not include a trade agreement between the state and a foreign country to which the federal government is not a party.

#### § 4127. APPROVAL OF TRADE AGREEMENTS

(a) Options for binding the state. If the United States government provides the state of Vermont with the opportunity to consent to or reject binding the state to a trade agreement or to a provision within a trade agreement, then the governor may bind the state or give consent to the United States government to bind the state only after consultation with the commission as provided for in subsection (c) of this section.

(b) Recommendations to Congress and the United States Trade Representative. In all other circumstances in which the United States government provides the state with information about a proposed trade agreement, the commission shall make a recommendation to Vermont’s delegation to Congress and to the Office of the United States Trade

Representative within the time frame requested by the Office of the United States Trade Representative.

(c)(1) Consultation process. When a communication from the United States trade representative regarding a proposed trade agreement is received by the state, the person who receives the communication shall submit a copy of the communication and any proposed trade agreement or relevant provisions of the trade agreement to the chairs of the commission. The chairs may disseminate the information to the chairs of the relevant legislative standing committees of jurisdiction.

(2) The commission shall review and analyze the trade agreement and issue a recommendation on the potential impact of the trade agreement to the appropriate party as described in subsections (a) and (b) of this section within a time frame that will afford Vermont's recommendations due consideration.

Twenty-eighth: By striking out Sec. 44 (relating to membership on the international trade commission) in its entirety and inserting in lieu thereof a new Sec. 44 to read as follows:

Sec. 44. 3 V.S.A. § 23 is amended to read:

§ 23. THE COMMISSION ON INTERNATIONAL TRADE

\* \* \*

(b) Membership. There is created a commission on international trade and state sovereignty consisting of:

\* \* \*

(7) a representative of an exporting Vermont business, appointed by the governor; ~~and~~

(8) a representative of a Vermont business actively involved in international trade, appointed by the governor;

(9) the secretary of agriculture or his or her designee; and

(10) a representative of a Vermont chamber of commerce, appointed by the governor.

(c) Powers and duties.

\* \* \*

~~(4) In response to a request from the governor or the general assembly, or on its own initiative~~ As provided for in 9 V.S.A. chapter 111A, the ~~committee~~ commission shall consider and develop formal recommendations with respect to how the state should best respond to challenges and

opportunities posed by a particular international agreement. ~~Formal recommendations on the specific international agreement shall be submitted to the governor and the house and senate committees on judiciary, on government operations, and on natural resources and energy, and to the house committee on commerce and the senate committees on finance and on economic development, housing and general affairs.~~

\* \* \*

Twenty-ninth: By adding a new section to be numbered Sec. 44a to read as follows:

Sec. 44a. VERMONT REDEVELOPMENT AUTHORITY; STUDY

(a) The Brattleboro Development Credit Corporation, in consultation with the other regional development corporations in Vermont, may develop a proposal for enabling legislation that permits a municipality to form an economic development authority.

(b) The proposal, if developed, shall include recommendations regarding the following:

(1) the powers that an economic development authority may exercise with respect to: eminent domain; permitting; access to bonding; access to lending through state authorities such as VEDA; property acquisition; and infrastructure investment; and

(2) the goals of an economic development authority, such as increasing the grand list; increasing occupancy and rent levels; increasing employment opportunities; as well as benchmarks and indicators for measuring an authority's success with meeting those goals.

(c) The Brattleboro Development Credit Corporation is invited to submit its proposal to the house committee on commerce and economic development and the senate committee on economic development, housing and general affairs by January 15, 2011.

Thirtieth: By adding a new section to be numbered Sec. 44b to read as follows:

Sec. 44b. 11 V.S.A. § 3022(d) is added to read:

(d) The secretary of state shall maintain a separate record of the number of limited liability companies that deliver articles of organization to the secretary for filing by electronic transmission.

Thirty-first: By adding a new section to be numbered Sec. 44c to read as follows:

Sec. 44c. 11A V.S.A. § 2.03(c) is added to read:

(c) The secretary of state shall maintain a separate record of the number of corporations that deliver articles of incorporation to the secretary for filing by electronic transmission.

Thirty-second: By adding a new section to be numbered Sec. 44d to read as follows:

Sec. 44d. 11B V.S.A. § 2.03(c) is added to read:

(c) The secretary of state shall maintain a separate record of the number of corporations that deliver articles of incorporation to the secretary for filing by electronic transmission.

Which was agreed to.

Senator Illuzzi moved that the Senate proposal of amendment be further amended as follows:

First: In Sec. 2, subsection (a), after the last sentence, by adding a new last sentence to read as follows: The Vermont office of economic stimulus and recovery is directed to the track these general fund appropriations as if they were ARRA funds.

Second: In Sec. 3, subsection (a), by striking out the following: “\$850,000.00” and by inserting in lieu thereof the following: \$750,000.00

Third: In Sec. 3, by striking out subsection (d) in its entirety and by relettering the remaining subsection to be alphabetically correct

Fourth: In Sec. 6, subsection (a), by striking out the word “winter”

Fifth: In Sec. 6, by adding a new subsection (c) to read as follows:

(c) The funds appropriated in this section shall be expended in calendar year 2010 with the goal of increasing the number of visitors throughout all regions of the state this year.

Sixth: By striking out Sec. 8 in its entirety and by inserting in lieu thereof a new Sec. 8 to read as follows:

Sec. 8. CHAMPLAIN BRIDGE CLOSURE

(a) The amount of \$800,000.00 is appropriated to the Addison County economic development corporation (ACEDC) to provide loans to persons negatively affected by the closure of the Lake Champlain bridge at Crown Point as provided in subsections (b) and (c) of this section.

(b) Priority for Funds. Until October 31, 2010, persons that have incurred economic losses as a direct result of the closure of the Lake Champlain bridge at Crown Point may apply to ACEDC for loans to assist with maintaining payroll, ordering inventory, and covering operational expenses, including increased expenses resulting from increased travel costs. ACEDC shall make the loans subject to the following requirements:

(1) The minimum loan issue shall be \$1,000.00; the maximum \$25,000.00.

(2) All applicants must have been in business and operational prior to October 16, 2009.

(3) Interest rates shall be established by ACEDC and may be zero.

(c) With respect to loans made under subsection (b) of this section, ACEDC shall establish underwriting criteria and standards to ensure that: eligible persons are credit-worthy but for the three-month closure of the Lake Champlain bridge at Crown Point; term limits are based upon individual business circumstances; criteria are established for determining which economic losses qualify as the direct result of the bridge closure; and shall establish any other terms and conditions it deems appropriate and necessary to accomplish the purposes of this section.

(d) On November 1, 2010, all unexpended funds shall be transferred to the Vermont economic development authority (VEDA). In addition, all loan repayments shall be transferred to VEDA. Any funds received by VEDA pursuant to this subsection shall be transferred to the entrepreneurs' seed capital fund established under chapter 14A of Title 10. ACEDC may retain any interest.

(e) Unless other funds for administrative costs become available, the ACEDC may use up to 0.5 percent of each loan issued under this section to cover administrative costs.

Seventh: In Sec 10, by adding subsection (c) to read as follows:

(c) The amount of \$100,000.00 is appropriated to the office of economic opportunity within the Vermont department for children and families to be transferred to the micro-business development program.

Eighth: In Sec. 10c, in subsection (b), after the following: "the secretary of commerce and community development" by adding the following: , the board of the Vermont arts council,

Ninth: In Sec. 10c, in subsection (b), after the words “or should remain with the film corporation” by adding the words or whether the film corporation should enter into a partnership with the Vermont arts council

Tenth: In Sec. 10c, in subsection (f), after the words “Vermont is home to at least” by striking out the word “five” and by inserting the word seven

Eleventh: In Sec. 10c, in subsection (f), after the following: “various Vermont counties;” by inserting the following: the Lyndon State College film program; the Bennington College film program;

Twelfth: In Sec. 10d, subsection (a), after the words “development of a” by adding the following: stand-alone

Thirteenth: In Sec. 10d, subsection (b), by striking out the following: “\$25,840.00” and by inserting in lieu thereof the following: generous and substantial

Fourteenth: In Sec. 10d, subsection (b), after the words “Essex Rescue” by adding the following: and EMS District 3

Fifteenth: In Sec. 10d, subsection (b), by striking out the following: “an additional \$501,360.00 of” and by inserting in lieu thereof the following: additional

Sixteenth: In Sec. 10d, by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c) Vermont is currently the only state without a statewide paramedic training program. The funds appropriated in this section will bring about essential training under a regional program for 15 students and also will contribute to the development of Vermont’s first statewide paramedic certification program.

Seventeenth: By striking out Sec. 10e in its entirety and by inserting in lieu thereof a new Sec. 10e to read as follows:

Sec. 10e. 18 V.S.A. § 906 is amended to read:

§ 906. EMERGENCY MEDICAL SERVICES DIVISION;  
RESPONSIBILITIES

To implement the policy of section 901, the department of health shall be responsible for:

\* \* \*

(8) Establishing, by rule, levels of individual certification and application forms for advanced emergency medical care. The commissioner

may use the guidelines established by the National Highway Transportation Safety Administration as a standard or other comparable standards, except that a felony conviction shall not necessarily disqualify an applicant. The rules shall also provide that:

(A) An individual may apply for and obtain one or more additional certifications, including certification as an advanced emergency medical technician or as a paramedic.

(B) An individual certified by the commissioner as an emergency medical technician, advanced emergency medical technician, or a paramedic shall be able to practice fully within the statewide scope of practice for such level of certification as established by the commissioner by rule, which shall be adopted and implemented on a statewide basis no later than January 1, 2011, provided that such person is affiliated with a rescue service, fire department, or licensed ambulance service, or other state licensed medical facility.

(C) An individual seeking any level of certification shall be required to pass an examination approved by the commissioner for that level of certification.

(D) If there is a hardship imposed on any applicant for a certification under this section because of unusual circumstances, the applicant may apply to the commissioner for a temporary or permanent waiver of one or more of the certification requirements, which the commissioner may waive for good cause. An applicant who has served as an advanced emergency medical technician, such as a hospital corpsman or a medic in the United States Armed Forces, or who is licensed as a registered nurse or a physician's assistant shall be granted a permanent waiver of the training requirements to become a certified emergency medical technician, an advanced emergency medical technician, or a paramedic, provided the applicant passes the applicable examination approved by the commissioner for that level of certification.

(E) No advanced certification shall be required for a trainee in established advanced training programs leading to certification as an advanced emergency medical technician, provided that the trainee is supervised by an individual holding a level of certification for which the trainee is training and the student is enrolled in an approved certification program.

Eighteenth: By striking out Sec. 10f in its entirety and inserting in lieu thereof a new Sec. 10f to read as follows:

Sec. 10f. CEDF; ARRA FUNDS; VERMONT SMALL-SCALE LOAN PROGRAM; ENTREPRENEURS' SEED CAPITAL FUND

(a) The general assembly finds that the Vermont small-scale renewable energy loan program currently administered by the clean energy development fund is expected to receive \$1,000,000.00 in funding in 2010 under the American Recovery and Reinvestment Act of 2009 (ARRA), Pub.L. No-111-5, and the clean energy development fund established under 10 V.S.A. § 6523. Notwithstanding any other provision of law, the general assembly directs that this \$1,000,000.00 in funds be reallocated to the entrepreneurs' seed capital fund created under 10 V.S.A. § 291 to conduct ARRA-eligible activities related to "clean energy resources" or "emerging energy-efficient technologies" as those terms are defined under 10 V.S.A. § 6523(b)(1) and (4), respectively.

(b) The commissioner of public service, in conjunction with the Vermont office of economic stimulus and recovery, shall seek and obtain from the United States Department of Energy express authorization for the reallocation of funds pursuant to subsection (a) of this section within four months of the effective date of this act.

(c) The funds appropriated under this section, and any return on the state's investment, shall remain in the entrepreneurs' seed capital fund and may be re-invested in Vermont firms consistent with the purposes of the fund.

Nineteenth: By striking out Sec. 14b (relating to a 50-percent employer contribution under the Vermont training program) in its entirety.

Twentieth: In Sec. 16 (relating to VEDA's inter-fund lending) by striking out subsection (c) in its entirety and by inserting in lieu thereof a new subsection (c) to read as follows:

(c) Monies in the fund may be loaned to the Vermont agricultural credit program to support its lending operations as established in chapter 16A of this title at interest rates and on terms and conditions to be set by the authority to establish a line of credit in an amount not to exceed \$30,000,000.00 \$60,000,000.00 to be advanced to the Vermont agricultural credit program to support its lending operations as established in chapter 16A of this title.

Twenty-first: In Sec. 44a, subdivision (b)(1), by striking out the words "eminent domain;"

And by renumbering the remaining sections to be numerically correct.

Which was agreed to.

Senators Bartlett, Brock, Campbell, Doyle, Illuzzi, Kittell, Scott and Shumlin recommend that the Senate proposal of amendment to the House proposal of amendment be further amended as follows:

First: In Sec. 6a, by adding a new subsection (e) to read as follows:

(e) From the amount appropriated in this section, the sum of \$50,000.00 shall be transferred from the Vermont economic development authority to the agency of agriculture, food and markets for use by the secretary to develop and implement a third party verification or audit process to enable the Vermont seal of quality program to be resumed with strict quality review and approval standards.

Second: By adding a new section to be numbered Sec. 6b to read as follows:

Sec. 6b. 6 V.S.A. § 2964 is amended to read:

§ 2964. VERMONT AGRICULTURAL PRODUCTS; IDENTIFICATION AND DEFINITION; SEAL OF QUALITY

(a) A producer or packer of agricultural products produced in Vermont annually may apply to the secretary for an identification label which may be applied to his or her products to indicate that they have been produced in Vermont and have met standards of quality as have been or may be established by the secretary. The person requesting the labels shall annually pay a fee established by the secretary by rule. ~~based on the volume of sales for each category of products in the previous year according to the following fee schedule: \$25.00 for a prior annual sales volume less than \$25,000.00; \$50.00 for a prior annual sales volume from \$25,000.00 to under \$100,000.00; \$100.00 for a prior annual sales volume from \$100,000.00 to \$250,000.00; and \$500.00 for a prior annual sales volume greater than \$250,000.00.~~ The applicant shall also pay for the cost of all labels requested.

\* \* \*

(g) **Third Party Verification.** The secretary may designate by rule a qualified, independent person or entity to verify that an agricultural product has been produced or processed in Vermont in compliance with this section and rules adopted by the secretary pursuant to this section, and that the product meets the standards of quality established by the secretary for the product. The applicant shall be responsible for the cost of verification performed by the designated person or entity.

Third: By adding a new section to be numbered Sec. 6c to read as follows:

Sec. 6c. 6 V.S.A. § 2965 is amended to read:

§ 2965. MISUSE OF LABELS; PENALTY

~~A person who fraudulently utilizes the labels issued as provided in section 2964 of this title, who willingly allows another to fraudulently use the labels or who applies the labels to products which do not meet quality standards as have been or may be established by the secretary shall be fined no more than \$500.00 for each offense.~~

(a) No person shall use, nor allow another person to use, an identification label designed and issued by the secretary under section 2964 of this title without authorization of the secretary.

(b) A person who violates this section commits a civil violation and shall be assessed a penalty of not less than \$500.

(c) In addition to the penalties set forth in this section, the secretary may take any action authorized under 6 V.S.A. Chapter 1 to enforce the requirements of section 2964 of this title and the rules adopted pursuant to that section.

Fourth: By adding a new section to be numbered Sec. 6d to read as follows:  
Sec. 6d. 4 V.S.A. § 1102(19) is added to read:

(19) Violations of 6 V.S.A. § 2965 relating to the misuse of identification labels for agricultural products produced in Vermont and meeting standards of quality established by the secretary of agriculture, food and markets.

Fifth: By adding a new section to be numbered Sec. 6e to read as follows:  
Sec. 6e. INTERIM ADMINISTRATION OF THE VERMONT SEAL OF QUALITY PROGRAM

(a) Pending adoption of a third party verification process pursuant to 6 V.S.A. § 2964(g), the secretary of the agency of agriculture, food and markets shall adopt by rule or by emergency rule, which notwithstanding any provision of law to the contrary shall remain in effect until repealed, an interim process and an appropriate fee structure for administering the authorization and use of identification labels pursuant to 6 V.S.A. § 2964.

(b) Identification labels issued during the interim administration of the identification label program shall be limited to maple and dairy products that:

(1) meet the current quality standards under rules adopted by the secretary for those products pursuant to 6 V.S.A. § 2964; and

(2) meet the requirements of the "Vermont origin rule," Vt. Code R. 06 031 021, Rule CF 120 (Representations of Vermont Origin).

(c) Certification during the interim period shall be made pursuant to self-certification on forms issued by the secretary for that purpose.

(d) It shall be an unfair and deceptive act in trade in violation of 9 V.S.A. § 2453 for any person to use an identification label without authorization of the secretary during the period of the interim administration of the identification label program.

(e) This section shall be repealed on June 30, 2011.

(f) The secretary shall resume administration of the seal of quality program not later than July 1, 2011.

Which was agreed to on a roll call, Yeas 27, Nays 0.

Senator Sears having demanded the yeas and nays, they were taken and are as follows:

#### **Roll Call**

**Those Senators who voted in the affirmative were:** Ashe, Ayer, Bartlett, Brock, Campbell, Carris, Choate, Cummings, Doyle, Flanagan, Flory, Hartwell, Illuzzi, Kitchel, Kittell, Lyons, MacDonald, Mazza, McCormack, Miller, Nitka, Racine, Scott, Sears, Snelling, Starr, White.

**Those Senators who voted in the negative were:** None.

**Those Senators absent and not voting were:** Giard, Mullin, Shumlin.

Senator Illuzzi moved that the Senate proposal of amendment to the House proposal of amendment be further amended in Sec. 6b by striking out subsection (g) of 6 V.S.A. § 2964 in its entirety and by inserting in lieu thereof the following:

(g) **Third Party Verification.** The secretary may adopt rules to design and implement a third party verification process under which a qualified, independent person or entity shall verify that an agricultural product has been produced or processed in Vermont in compliance with this section and rules adopted by the secretary pursuant to this section, and that the product meets the standards of quality established by the secretary for the product. The secretary shall determine who is responsible for the cost of the required verification.

Which was agreed to.

Senator MacDonald moved that the Senate proposal of amendment to the House proposal of amendment be further amended as follows:

First: In Sec. 4, subsection (a), by striking out the following: “§ 8079(e)” and inserting in lieu thereof the following: § 8079(f)

Second: In Sec. 4, subsection (b), by striking out the following: “economic development, housing and general affairs” and inserting in lieu thereof the following: finance

Third: In Sec. 11, subsection (b), by adding a new last sentence to read as follows: Before publication, a copy of all requests for proposals shall be provided to the senate committee on finance and the house committee on commerce and economic development, and shall be approved by the joint fiscal committee

Fourth: In Sec. 11, by adding a new subsection (c) to read as follows:

(c) Criteria. In developing the criteria which will govern the requests for proposals regarding the expenditure of the appropriations contained in S.288 and H. 790 as enacted in the 2010 legislative session, and to the extent consistent with the objectives set forth in subsection (a) of this section, the authority shall strive to achieve the following:

(1) Require the use of current generation infrastructure, such as fiber optic cable where cable is used, or otherwise appropriate, and technology which is considered state of the art by the telecommunications industry.

(2) Require that any infrastructure owned and leased by the authority shall be available for use by as many telecommunication providers as the technology will permit to avoid the state from establishing a monopoly service territory for one provider.

And by relettering the remaining subsections in Sec. 11 to be alphabetically correct.

Fifth: In Sec. 11, subsection (c) [re-lettered as subsection (d) pursuant to the fourth instance of amendments stated herein], by adding subdivision (6) to read as follows:

(6) Pending grant and loan applications for the expansion of broadband service filed with the U.S. Department of Commerce and with the broadband initiatives program under the Rural Utilities Service of the U.S. Department of Agriculture, which will be awarded no later than October 1, 2010.

Which was agreed to.

Thereupon, the pending question, Shall the Senate concur in the House proposal of amendment with further proposals of amendment was agreed to on a roll call, Yeas 28, Nays 0.

Senator Campbell having demanded the yeas and nays, they were taken and are as follows:

**Roll Call**

**Those Senators who voted in the affirmative were:** Ashe, Ayer, Bartlett, Brock, Campbell, Carris, Choate, Cummings, Doyle, Flanagan, Flory, Giard, Hartwell, Illuzzi, Kitchel, Kittell, Lyons, MacDonald, Mazza, McCormack, Miller, Nitka, Racine, Scott, Sears, Snelling, Starr, White.

**Those Senators who voted in the negative were:** None.

**Those Senators absent and not voting were:** Mullin, Shumlin.

Thereupon, on motion of Senator Campbell, the rules were suspended and the bill was ordered messaged to the House forthwith.

**Consideration Postponed**

Senate resolution entitled:

**S.R. 17.**

Senate resolution urging Congress to authorize alternative waivers to the 21-year-old minimum drinking age that do not entail federal highway funding penalties for states.

Was taken up.

Thereupon, without objection consideration of the resolution was postponed until the next legislative day.

**Proposal of Amendment; Third Reading Ordered**

**H. 540.**

Senator Scott, for the Committee on Transportation, to which was referred House bill entitled:

An act relating to motor vehicles passing vulnerable users on the highway and to bicycle operation.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 23 V.S.A. § 4(81) is added to read:

(81) "Vulnerable user" means a pedestrian; an operator of highway building, repair, or maintenance equipment or of agricultural equipment; a person operating a wheelchair or other personal mobility device, whether

motorized or not; a person operating a bicycle or other nonmotorized means of transportation (such as, but not limited to, roller skates, rollerblades, or roller skis); or a person riding, driving, or herding an animal.

Sec. 2. 23 V.S.A. § 1033 is amended to read:

§ 1033. PASSING ~~ON THE LEFT~~ MOTOR VEHICLES AND VULNERABLE USERS

(a) ~~Vehicles~~ Passing motor vehicles. Motor vehicles proceeding in the same direction may be overtaken and passed only as follows:

(1) The driver of a motor vehicle overtaking another motor vehicle proceeding in the same direction may pass to its left at a safe distance, and when so doing shall exercise due care, ~~may~~ shall not pass to the left of the center of the highway unless the way ahead is clear of approaching traffic, and shall not again drive to the right side of the roadway until safely clear of the overtaken vehicle.

(2) Except when overtaking and passing on the right is permitted, the driver of an overtaken motor vehicle shall give way to the right in favor of the overtaking motor vehicle on audible signal and shall not increase the speed of his or her vehicle until completely passed by the overtaking vehicle.

(b) Passing vulnerable users. The operator of a motor vehicle approaching or passing a vulnerable user as defined in subdivision 4(81) of this title shall exercise due care, which includes increasing clearance, to pass safely the vulnerable user.

Sec. 3. 23 V.S.A. § 1039 is amended to read:

§ 1039. FOLLOWING TOO CLOSELY, CROWDING, AND HARASSMENT

(a) The driver of a vehicle shall not follow another vehicle more closely than is reasonable and prudent, having due regard for the speed of the vehicles and the traffic upon, and the conditions of, the highway. The operator of a vehicle shall not, in a careless or imprudent manner, approach, pass, or maintain speed unnecessarily close to a vulnerable user as defined in subdivision 4(81) of this title, and an occupant of a vehicle shall not throw any object or substance at a vulnerable user.

\* \* \*

Sec. 4. 23 V.S.A. § 1065 is amended to read:

§ 1065. HAND SIGNALS

(a) ~~All~~ A right or left turn shall not be made without first giving a signal of intention either by hand or by signal in accordance with section 1064 of this title. Except as provided in subsection (b) of this section, all signals to indicate change of speed or direction, when given by hand, shall be given from the left side of the vehicle and in the following manner:

- (1) Left turn. – Hand and arm extended horizontally.
- (2) Right turn. – Hand and arm extended upward.
- (3) Stop or decrease speed. – Hand and arm extended downward.

(b) ~~No turn to right or left may be made without first giving a signal of an intention to do so either by hand or by signal in accordance with section 1064 of this title~~ A person operating a bicycle may give a right-turn signal by extending the right hand and arm horizontally and to the right side of the bicycle.

Sec. 5. 23 V.S.A. § 1127 is amended to read:

§ 1127. CONTROL IN PRESENCE OF ~~HORSES AND CATTLE~~ ANIMALS

(a) Whenever upon a public highway and approaching a vehicle drawn by a ~~horse or other~~ draft animal, ~~or approaching a horse or other~~ an animal upon which a person is riding, or animals being herded, the operator of a motor vehicle shall operate the vehicle in such a manner as to exercise every reasonable precaution to prevent the frightening of ~~such horse or~~ any animal and to ~~insure~~ ensure the safety and protection of the animal and the person riding ~~or, driving, or herding~~.

(b) The operator of a motor vehicle shall yield to any ~~cattle, sheep, or goats~~ animals being herded on or across a highway.

Sec. 6. 23 V.S.A. § 1139(a) is amended to read:

(a) A person operating a bicycle upon a roadway shall exercise due care when passing a standing vehicle or one proceeding in the same direction and generally shall ride as near to the right side of the roadway as practicable ~~exercising due care when passing a standing vehicle or one proceeding in the same direction, but shall ride to the left or in a left lane when:~~

(1) preparing for a left turn at an intersection or into a private roadway or driveway;

(2) approaching an intersection with a right turn lane if not turning right at the intersection;

(3) overtaking another highway user; or

(4) taking reasonably necessary precautions to avoid hazards or road conditions.

Sec. 7. 23 V.S.A. § 1141(a) is amended to read:

(a) ~~No~~ A person may shall not operate a bicycle at nighttime from one-half hour after sunset until one-half hour before sunrise unless it is equipped with a lamp on the front, which emits a white light visible from a distance of at least 500 feet to the front, and with a lamp on the rear, which emits a flashing or steady red reflector on the rear, which light that shall be visible at least 300 feet to the rear when directly in front of lawful upper beams of head lamps on a motor vehicle. ~~Lamps emitting red lights visible to the rear may be used in addition to the red reflector.~~ In addition, bicyclists shall operate during these hours with reflective, rear-facing material on pedals, shoes, or ankle bands.

Sec. 8. REPEAL

23 V.S.A. § 1053 (passing pedestrians on a highway) is repealed.

And that the bill ought to pass in concurrence with such proposal of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the proposal of amendment was agreed to, and third reading of the bill was ordered.

**Leave Granted to Offer Proposal of Amendment After Third Reading;  
Bill Passed in Concurrence with Proposal of Amendment**

**H. 765.**

House bill entitled:

An act relating to establishing the Vermont agricultural innovation authority.

Was taken up.

Thereupon, pending the question, Shall the bill pass in concurrence with proposal of amendment?, Senator Choate requested and was granted leave to offer a proposal of amendment after third reading.

Thereupon, pending the question, Shall the bill pass in concurrence with proposal of amendment?, Senator Choate moved that the Senate proposal of

amendment be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 6 V.S.A. §§ 2961 and 2962 are amended and §§ 2962a and 2962b are added to read:

§ 2961. ~~CREATION OF AGRICULTURAL DEVELOPMENT COMMISSION~~ DEFINITIONS

~~(a) There is established within the agency of agriculture, food and markets the agricultural development commission, which shall be composed of the secretary of agriculture, food and markets, commissioner of forests, parks and recreation or his designee, the director of extension service, and director of research at the University of Vermont or their designees and four members appointed by the governor from a list of ten names, five to be submitted to him by the committee on agriculture of the house and five to be submitted to him by the committee on agriculture of the senate. The public members shall be appointed for terms of two years. The secretary of agriculture, food and markets shall be chairman.~~

~~(b) The commission shall be attached to the agency of agriculture, food and markets for administrative support. In addition, the commission may use the services and staff of any department to assist it in the performance of its duties. The secretary of agriculture, food and markets may appoint a person from within the agency of agriculture, food and markets to serve as executive director to the commission.~~

~~(c) Public members of the commission shall receive \$30.00 per diem and necessary expenses incurred while in the performance of their duties. As used in this subchapter:~~

~~(1) "Center" means the Vermont agricultural innovation center.~~

~~(2) "Value-added agricultural product" means any agricultural commodity or product that has been changed, produced, or segregated such that the market for the product has expanded and where the greater portion of the revenue derived from the value-added activity accrues to the producer of the commodity or product.~~

§ 2962. ~~COMMISSION; POWERS AND DUTIES~~ ESTABLISHMENT OF VERMONT AGRICULTURAL INNOVATION CENTER

~~The commission may develop policies and recommend procedures for the implementation of coordinated educational, regulatory, research and promotional programs in agriculture. In addition, the commission may:~~

~~(1) Develop a five-year continuing agriculture development program for the state which shall be updated biennially;~~

~~(2) Encourage lending institutions to expand their agricultural lending activities;~~

~~(3) Identify those institutional forces which impede agricultural expansion and make recommendations for the removal of those impediments;~~

~~(4) Assist individuals and organizations in their agricultural efforts;~~

~~(5) Make recommendations to the agency of agriculture, food and markets and the agricultural experiment station on areas where research might prove most beneficial to agriculture in Vermont;~~

~~(6) [Repealed.]~~ (a) The Vermont agricultural innovation center is hereby established.

(b) The Vermont agricultural innovation center shall be administered by a board consisting of 13 members with no more than four members representing in a primary capacity any one agricultural sector. The board shall comprise the following:

(1) The secretary of agriculture, food and markets, who shall serve as chair; and

(2) The following four members appointed by the governor: One member from each of the four highest grossing commodities produced in Vermont as determined on the basis of annual gross cash sales. These four commodity groups presently include the dairy industry, the maple industry, the livestock, and the produce industry;

(3) The following eight members appointed by the speaker of the house and the president pro tempore of the senate:

(A) One representative from each of the two largest membership-based agricultural organizations in Vermont;

(C) Six members with knowledge of or experience in the production or marketing of value-added agricultural products.

(c) The Vermont agricultural innovation center's powers are vested in the board, and a quorum shall consist of seven members. No action of the board shall be considered valid unless the action is supported by a majority vote of the members present and voting and then only if at least seven members vote in favor of the action.

(d) Members of the board shall be appointed for staggered terms of three years. Any vacancy occurring among the members of the board shall be filled

by the governor for the unexpired portion of the term. A board member may be reappointed, but no member, except the secretary of agriculture, food and markets, may serve for more than six consecutive years.

(e) Board members whose membership is not supported by their employer or association may receive per diem and reimbursement for travel as provided in 32 V.S.A. § 1010 to the extent that funds are available.

§ 2962a. PURPOSE; POWERS AND DUTIES

(a) To achieve the purposes of this subchapter, the Vermont agricultural innovation center shall:

(1) Promote agriculture and the business of agriculture in Vermont, including the production or marketing of value-added agricultural products.

(2) Coordinate with federal and state agencies and private sources to make financial resources available to the center for distribution of financial assistance for the promotion of agriculture, including the production or marketing of value-added agricultural products.

(3) Administer federal grant monies for the production or marketing of value-added agricultural products. Grant monies shall be administered in accordance with their terms which may include:

(A) Technical assistance, including technical, engineering, and product research services;

(B) Assistance in marketing, market development, and business planning, including advisory services with respect to leveraging capital assets;

(C) Organizational, outreach, and development assistance to increase the viability, growth, and sustainability of businesses engaged in the production or marketing of value-added agricultural products;

(D) Studies that analyze the feasibility of facilities, including processing facilities, for use by potential producers or marketers of value-added products in order to determine the size that optimizes construction and other cost efficiencies.

(b) The agricultural innovation center may:

(1) consult, contract, or coordinate with the Vermont economic development authority or other agricultural funders to provide financial assistance for purposes authorized by this subchapter;

(2) support the establishment of partnerships for the promotion and development of agriculture in the state, including the production or marketing of value-added agricultural products;

(3) support local initiatives to produce or market value-added agricultural products;

(4) pursue and coordinate access to regional and local revolving loan funding and all state, federal, and private funding that is available for the development of agriculture and value-added agricultural products;

(5) receive and accept grants, gifts, loans, or contributions from any source subject to the provisions of 32 V.S.A. § 5;

(6) use the services and staff of the agency of agriculture, food and markets to assist in the performance of the center's duties with the concurrence of the secretary of agriculture, food and markets;

(7) contract for support, technical, or other professional services necessary to complete the work of the center.

#### § 2962b. INTERAGENCY COOPERATION AND ASSISTANCE

Other departments and agencies of state government shall assist and cooperate with the center and shall make available to it information and data as needed to assist the center in carrying out its duties. Nothing in this section shall be construed to waive any privilege or protection otherwise afforded to the data and information under exemptions to the public records act or under other laws due solely to the fact that the information or data are shared with the center pursuant to this section.

#### Sec. 2. RECODIFICATION

6 V.S.A. chapter 162 is recodified as follows:

(1) §§ 2961–2962b shall be subchapter 1 which is added to read:

Subchapter 1. Vermont Agricultural Innovation Center

(2) §§ 2963–2965 shall be subchapter 2 which is added to read:

Subchapter 2. Generally

#### Sec. 3. EFFECTIVE DATE

This act shall take effect January 15, 2011.

And that after passage of the bill the title of the bill be amended to read as follows:

An act relating to establishing the Vermont agricultural innovation center.

Which was agreed to.

Thereupon, the recurring question, Shall the bill pass in concurrence with proposal of amendment?, was decided in the affirmative.

**Proposal of Amendment; Third Reading Ordered**

**H. 524.**

Senator Nitka, for the Committee on Judiciary, to which was referred House bill entitled:

An act relating to interference with or cruelty to a guide dog.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 13 V.S.A. § 355 is added to read:

**§ 355. INTERFERENCE WITH OR CRUELTY TO A GUIDE DOG**

(a) As used in this section:

(1) “Custody” means the care, control, and maintenance of a dog.

(2) “Guide dog” means a dog, with visible identification of its status, individually trained to do work or perform tasks for the benefit of an individual with a disability for purposes of guiding an individual with impaired vision, alerting an individual with impaired hearing to the presence of people or sounds, assisting an individual during a seizure, pulling a wheelchair, retrieving items, providing physical support and assistance with balance and stability, and assisting with navigation.

(3) “Notice” means:

(A) a verbal or otherwise communicated warning regarding the behavior of another person and a request that the person stop the behavior; and

(B) a written confirmation submitted to the local law enforcement agency, either by the owner of the guide dog or another person on his or her behalf, which shall include a statement that the warning and request was given and the person’s telephone number.

(b) No person shall recklessly injure or cause the death of a guide dog, or recklessly permit a dog he or she owns or has custody of to injure or cause the death of a guide dog. A person who violates this subsection shall be imprisoned not more than two years or fined not more than \$3,000.00, or both.

(c) No person who has received notice or has knowledge that his or her behavior, or the behavior of a dog he or she owns or has custody of, is interfering with the use of a guide dog shall recklessly continue to interfere

with the use of a guide dog, or recklessly allow the dog he or she owns or has custody of to continue to interfere with the use of a guide dog, by obstructing, intimidating, or otherwise jeopardizing the safety of the guide dog user or his or her guide dog. A person who violates this subsection shall be imprisoned not more than one year or fined not more than \$1,000.00, or both.

(d) No person shall recklessly interfere with the use of a guide dog, or recklessly permit a dog he or she owns or has custody of to interfere with a guide dog, by obstructing, intimidating, or otherwise jeopardizing the safety of the guide dog user or his or her guide dog. A person who violates this subsection commits a civil offense and shall be:

(1) for a first offense, fined not more than \$100.00.

(2) for a second or subsequent offense, fined not more than \$250.00.

(e) A violation of subsection (d) of this section shall constitute notice as defined in subdivision (a)(3) of this section.

(f) As provided in section 7043 of this title, restitution shall be considered by the court in any sentencing under this section if the victim has suffered any material loss. Material loss for purposes of this section means uninsured:

(1) veterinary medical expenses;

(2) costs of temporary replacement assistance services, whether provided by a person or guide dog;

(3) replacement value of an equally trained guide dog without any differentiation for the age or experience of the dog;

(4) loss of wages; and

(5) costs and expenses incurred by the person as a result of the injury to the guide dog.

Sec. 2. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

\* \* \*

(b) The judicial bureau shall have jurisdiction of the following matters:

\* \* \*

(12) Violations of 13 V.S.A. § 352(3), (4), and (9), relating to cruelty to animals, and 13 V.S.A. § 355(d), relating to interference with a guide dog.

And that the bill ought to pass in concurrence with such proposal of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the proposal of amendment was agreed to, and third reading of the bill was ordered.

**House Proposal of Amendment to Senate Proposal of Amendment  
Concurred In**

**H. 456.**

House proposal of amendment to Senate proposal of amendment to House bill entitled:

An act relating to seasonal fuel assistance.

Was taken up.

The House proposes to the Senate to amend the Senate proposal of amendment in Sec. 3, 33 V.S.A. § 2604(b), by adding a new last sentence to read as follows: The secretary or designee shall provide a draft of the table to the home energy assistance task force established pursuant to 33 V.S.A. § 2501a(c) and solicit input from the task force prior to finalizing the table.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, was decided in the affirmative.

**Senate Resolution Adopted**

**S.R. 22.**

Senate resolution entitled:

Senate resolution relating to S. 77, An act relating to the recycling and disposal of electronic waste.

Having been placed on the Calendar for action, was taken up and adopted.

**Rules Suspended; Bill Delivered**

On motion of Senator Campbell, the rules were suspended, and the following bill was ordered delivered to the Governor forthwith:

**S.77.**

**Adjournment**

On motion of Senator Campbell, the Senate adjourned, to reconvene on Tuesday, April 9, 2010, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 59.