

Journal of the House

Tuesday, May 6, 2014

At ten o'clock in the forenoon the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by students from Greenwood School, Putney, Vt.

Pledge of Allegiance

Page Evan Jones of South Burlington led the House in the Pledge of Allegiance.

Senate Bill Referred

S. 308

Senate bill, entitled

An act relating to regulating precious metal dealers

Was read and referred to the committee on Judiciary.

House Resolution Referred to Committee

H.R. 24

House resolution, entitled

House resolution relating to legislative ethics

Offered by: Representatives Deen of Westminster, Koch of Barre Town, Burke of Brattleboro, Johnson of Canaan, Stevens of Shoreham, and Sweaney of Windsor

Whereas, Ch. I, Art. 7 of the Constitution of the State of Vermont provides “[t]hat government is, or ought to be, instituted for the common benefit, protection, and security of the people, nation, or community, and not for the particular emolument or advantage of any single person, family, or set of persons, who are a part only of that community,” and

Whereas, Ch. II, § 12 of the Vermont Constitution provides that “[n]o member of the General Assembly shall, directly or indirectly, receive any fee or reward to bring forward or advocate any bill, petition, or other business to be transacted in the Legislature,” and

Whereas, Ch. II, § 14 of the Vermont Constitution provides that the members of the House of Representatives have the authority to judge the qualifications of their own members, and

Whereas, in the Rules and Orders of the House of Representatives, House Rule 75 provides that “[m]embers shall not be permitted to vote upon any question in which they are immediately or directly interested,” but does not provide further guidance as to the meaning of that provision, and

Whereas, House Rule 88 provides that questions of parliamentary procedure not covered by House Rules shall be decided according to Mason’s Manual of Legislative Procedure, and

Whereas, Mason’s Manual § 522.1 provides that “[i]t is the general rule that no members can vote on a question in which they have a direct personal or pecuniary interest” and that “[t]he right of members to represent their constituencies is of such major importance that members should be barred from voting on matters of direct personal interest only in clear cases and when the matter is particularly personal,” and

Whereas, currently, there may be ambiguity as to what it means to be “immediately or directly interested” in a question, and

Whereas, it is difficult for the House to judge whether it is appropriate for a member to vote on a question without knowing the organizations to which each member belongs and his or her employer, now therefore be it

Resolved by the House of Representatives:

That this legislative body moves to add Rule 14a to the Rules and Orders of the House of Representatives to read:

14a. On or before the 10th day of the beginning of the biennium, each member shall submit to the Clerk a disclosure form prepared by the Clerk. The form shall be signed by the member, be publicly available, and may be updated. The form shall set forth, to the best of the member’s ability, the following information applicable as of the date of submission:

(a) any boards, commissions, or other entities on which the member serves; a description of that position; and, except in the case of legislative appointments, whether the member receives any form of remuneration for that position; and

(b) the member’s employer., and be it further

Resolved: That this legislative body moves to add Rule 90a to the Rules and Orders of the House of Representatives to read:

90a. (a) The House Rules Committee shall, at the beginning of the biennium or as soon as possible thereafter, establish an Ethics Panel with the following powers and duties:

(1) to advise individual members and provide training to all members on ethical conduct, including compliance with Rule 75; and

(2) to receive and investigate complaints of alleged ethical violations made against members of the House, except for those complaints covered under Rule 90, and to recommend to the House any disciplinary action against a member for an ethical violation, if the Panel deems it necessary.

(b) The panel shall comprise five members of the House who shall serve until successors are appointed. The members shall elect a chair and adopt policies and procedures to conduct their business.

(c) Annually, on or before December 31, the Ethics Panel shall report to the House the number of complaints filed, the disposition of those complaints, and the number of member requests for ethical advice.

Which was read and referred to the committee on Rules.

Remarks Journalized

On motion of **Rep. Jewett of Ripton**, the following remarks by **Rep. Koch of Barre Town** were ordered printed in the Journal:

“Mr. Speaker:

I rise on a point of personal privilege.

This morning I share a number of quotations appropriate for the occasion, and this is the first. “For everything there is a season, and a time for every matter under heaven.”

For twenty-two winters, I have been privileged to represent the people of the Town of Barre in this chamber, and I will be eternally grateful to them for that opportunity. I have always maintained, however, that my service in this House will end before they carry me out feet-first, and it is time for me to make good on that vow. I will not be a candidate for re-election this year.

I am reminded of the observation of Governor Richard Snelling, who said that public service in Vermont is something that a citizen does for a time and then returns to his private endeavors. In my view, the Vermont legislature is a very special place: a place where each member represents a very small number of citizens and has an unusually close relationship with his or her constituents; a place where members develop friendships and working relationships across party lines; a place where members arrive with genuinely good intentions, listen and learn to an extent that I am sure is totally unanticipated, come to different conclusions, debate their differing points of view, resolve them by majority vote, and then go out and socialize together in the evening. Above all, the Vermont legislature is a place that, in my experience and observation,

is devoid of corruption and ethical problems. Once again, I refer to Dick Snelling, who in his first inaugural address said, "There may be other public offices in which one can serve besides that of a legislator, but there is no higher office."

Mr. Speaker, I believe that one's service, both here and outside these walls, is measured by the effect one has had in improving the lives of others. Over the course of these twenty-two years, I have been fortunate to be able to work from time to time on many differing projects: election law reform; revision of Act 250; mental health parity and providing improved treatment for those with mental illnesses, including closing of the State Hospital and the construction of the new Vermont Psychiatric Care Hospital; health care reform both as an advocate and in a role that might best be described as "loyal opposition;" helping to fight the epidemic of illegal drugs; and perhaps most importantly, giving encouragement and support to the recovery movement. Whatever effect my efforts have had is for others to judge, but what I do know is that people who refer to being a legislator as "a thankless job" are dead wrong; I have been repeatedly amazed to open my mail to find a simple "thank you" note. And notes like that are all the reward that one could ever want.

Mr. Speaker, we often speak of this House as a "family," and that is true. We share each other's joys, and we share each other's sorrows. We have our disagreements, and as they say, "there's no fight like a family fight," but at the end of the day, we come together under our motto "Freedom and Unity," knowing that we all have at heart the best interests of our beloved State of Vermont. It's not easy to take my leave of active participation in such a family, but I recall the words of one of our former members when she announced her retirement a few years ago. When I told her how much I would miss her, her response was, "It's like having a baby—when you're done, you know it!" Mr. Speaker, I don't know much about having a baby, but I do think I know what she was trying to say. I could certainly convince myself that my work is not done, and that there are many more projects I should work on, but that could always be true. And I could even convince myself that I am indispensable, but that is just not true—not true of me, not true of anyone. The simple fact is that for me and my wife, this is the right time. At this time of our lives, this is the right decision. I have given my service; now it is someone else's turn.

Mr. Speaker, you have often emphasized that once you are a member of this family, you are always a member, and I take comfort in that fact. The late Senator Graham Newell stressed to me that a member speaks of right on behalf of the member's constituents, and it is not necessary to thank the Speaker either for recognizing the member or for tolerating the member's remarks, and so I believe I have never before concluded a speech on this floor with these

words. But today, to you personally, and through you to all of the other members, staff, and others with whom I have had the privilege of working over the course of nearly a quarter of a century, I say: Thank you, Mr. Speaker.”

Committee of Conference Appointed

S. 299

Pursuant to the request of the Senate for a Committee of Conference on the disagreeing votes of the two Houses on Senate bill, entitled

An act relating to sampler flights

The Speaker appointed as members of the Committee of Conference on the part of the House:

Rep. Head of South Burlington

Rep. Stevens of Waterbury

Rep. Van Wyck of Ferrisburgh

Senate Proposal of Amendment Concurred in

H. 681

The Senate proposed to the House to amend House bill, entitled

An act relating to the professional regulation for veterans, military service members, and military spouses

First: In Sec. 1 (professional regulatory entities; military service licensure requirements), in subdivision (a)(1) (definition of “expedited temporary license by endorsement”), at the end of the subdivision following “licensure in another state”, by inserting or, in the case of EMS providers, based on current certification from the National Registry of Emergency Medical Technicians (NREMT)

Second: In Sec. 1, in subsection (b), at the beginning of the introductory paragraph, by striking out in its entirety “February 1, 2015” and inserting in lieu thereof July 1, 2015

Third: In Sec. 1, in subdivision (b)(2)(B) (expedited temporary licensure by endorsement; application requirements), at the end of subdivision (ii) following “issued in another state” by inserting or, in the case of EMS providers, proof that the applicant holds a current certification from the NREMT

Fourth: In Sec. 1, in subdivision (b)(3)(B) (renewal of licensure; eligibility), by inserting two new subdivisions to be subdivisions (i) and (ii) to read:

(i) The provisions of this subdivision (B) shall apply to an EMS licensee with a military deployment of less than two years, or greater than two years if the position served in the military was as an EMS provider or a substantially similar role.

(ii) For an EMS licensee with a military deployment of greater than two years and whose position served in the military was not as an EMS provider or a substantially similar role, the licensee shall be required to obtain certification with the NREMT prior to renewal of a license under this subdivision.

Fifth: In Sec. 2, 18 V.S.A. § 906c, in subdivision (b)(1), following “compensation upon his or her return from deployment”, by striking out “despite the lapse of licensure or certification” and inserting in lieu thereof once licensure is renewed

Which proposal of amendment was considered and concurred in.

Senate Proposal of Amendment Concurred in

H. 882

The Senate proposed to the House to amend House bill, entitled

An act relating to compensation for certain State employees

First: In Sec. 9 (Pay Act appropriations), in subsection (a) (Executive Branch), at the end of the introductory paragraph following “; and salary increases for”, by striking out “classified employees not in a bargaining unit and exempt employees” and inserting in lieu thereof employees in the Executive Branch not covered by the bargaining agreements.

Second: In Sec. 9, in subsection (b) (Judicial Branch), in subdivision (2), at the end of the introductory paragraph following “June 30, 2016 and salary increases for” by striking out “exempt employees” and inserting in lieu thereof employees in the Judicial Branch not covered by the bargaining agreements.

Which proposal of amendment was considered and concurred in.

Third Reading; Bills Passed in Concurrence With Proposal of Amendment

Bills of the following titles were taken up, read the third time and passed in concurrence with proposal of amendment.

S. 40

Senate bill, entitled

An act relating to establishing an interim committee that will develop policies to restore the 1980 ratio of state funding to student tuition at Vermont State Colleges and to make higher education more affordable;

S. 202

Senate bill, entitled

An act relating to the energy efficiency charge;

S. 256

Senate bill, entitled

An act relating to the solemnization of a marriage by a Judicial Bureau hearing officer;

S. 269

Senate bill, entitled

An act relating to business consumer protection and data security breaches;

Senate Proposal of Amendment Concurred in

H. 612

The Senate proposed to the House to amend House bill, entitled

An act relating to Gas Pipeline Safety Program penalties

By striking Sec. 2 in its entirety and by inserting in lieu thereof a new Sec. 2 to read as follows:

Sec. 2. GAS PIPELINE SAFETY RULES; BEST PRACTICES

The Public Service Board shall review and consider amending Board Rule 6.100 (Enforcement of Safety Regulations Pertaining to Intrastate Gas Pipelines and Transportation Facilities) to include additional measures or best practices, if any, that exceed the minimum federal safety standards, provided the Board determines such measures or practices are appropriate for Vermont.

Which proposal of amendment was considered and concurred in.

Senate Proposal of Amendment Concurred in

S. 211

The Senate concurred in the House proposal of amendment with the following proposal of amendment thereto on Senate bill, entitled

An act relating to permitting of sewage holding and pumpout tanks for public buildings

By striking out Secs. 2, 3, 4, and 5 and all reader's guides in their entirety and inserting in lieu thereof the following:

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2014.

Pending the question, Shall the House concur in the Senate proposal of amendment? **Rep. Krebs of South Hero** moved that the House concur in the Senate proposal of amendment with a further amendment thereto as follows:

By inserting a new Sec. 2 to read as follows:

Sec. 2. WATER CONNECTION PERMIT MUNICIPAL DELEGATION STUDY

On or before January 1, 2015, the Secretary of Natural Resources shall report to the House Committee on Fish, Wildlife and Water Resources and the Senate Committee on Natural Resources and Energy with recommendations on the following:

(1) how to improve the process for municipal delegation under 10 V.S.A. § 1976;

(2) other ways to streamline permitting and approval under 10 V.S.A. § 1973, including through partial delegation under 10 V.S.A. § 1976; and

(3) a plan for outreach and education to municipalities about the delegation process under 10 V.S.A. § 1976 and the provision for approval of sewer connections at the time of sewer line construction as provided under Section 1-304(a)(14) of the Vermont Wastewater System and Potable Water Supply Rules.

and by renumbering the remaining section to be numerically correct.

Which was agreed to.

Recess

At ten o'clock and eleven minutes in the forenoon, the Speaker declared a recess until the fall of the gavel.

At eleven o'clock and fifty-three minutes in the forenoon, the Speaker called the House to order.

Rules Suspended; Bills Messaged to Senate Forthwith

On motion of **Rep. Turner of Milton**, the rules were suspended and the following bills were ordered messaged to the Senate forthwith:

S. 40

Senate bill, entitled

An act relating to establishing an interim committee that will develop policies to restore the 1980 ratio of state funding to student tuition at Vermont State Colleges and to make higher education more affordable

S. 202

Senate bill, entitled

An act relating to the energy efficiency charge

S. 211

Senate bill, entitled

An act relating to permitting of sewage holding and pumpout tanks for public buildings

S. 256

Senate bill, entitled

An act relating to the solemnization of a marriage by a Judicial Bureau hearing officer

S. 269

Senate bill, entitled

An act relating to business consumer protection and data security breaches

Message from Governor

A message was received from His Excellency, the Governor, by Mr. Louis Porter, Secretary of Civil and Military Affairs, as follows:

Mr. Speaker:

I am directed by the Governor to inform the House that on the fifth day of May, 2014, he approved and signed a bill originating in the House of the following title:

H. 589 An act relating to hunting, fishing, and trapping**Message from the Senate No. 65**

A message was received from the Senate by Mr. Marshall, its Assistant Secretary, as follows:

Mr. Speaker:

I am directed to inform the House that:

The Senate has considered bills originating in the House of the following title:

H. 413. An act relating to the Uniform Collateral Consequences of Conviction Act.

H. 501. An act relating to operating a motor vehicle under the influence of alcohol or drugs.

H. 555. An act relating to the commitment of a criminal defendant who is incompetent to stand trial because of a traumatic brain injury.

H. 578. An act relating to administering State funds for loans to individuals for replacement of failed wastewater systems and potable water supplies.

H. 646. An act relating to unemployment insurance.

H. 645. An act relating to workers' compensation.

H. 656. An act relating to professions and occupations regulated by the Office of Professional Regulation.

H. 728. An act relating to developmental services' system of care.

And has passed the same in concurrence with proposals of amendment in the adoption of which the concurrence of the House is requested.

Consideration Interrupted by Recess

S. 316

Senate bill, entitled

An act relating to child care providers

Was taken up and pending third reading of the bill, **Rep. Bouchard of Colchester** moved the House propose to the Seante to amend the bill as follows:

First: In Sec. 2, 33 V.S.A. § 3603, in subsection (b), by striking out the subsection in its entirety and inserting in lieu thereof a new subsection (b) to read:

(b)(1) Mandatory subjects of bargaining are limited to:

(A) child care subsidy reimbursement rates and payment procedures, excluding quality standards and payment schedules associated with the SStep Ahead Recognition System (STARS);

(B) professional development;

(C) the collection of dues and disbursement to the exclusive representative; and

(D) procedures for resolving grievances.

(2) The parties may also negotiate on any mutually agreed matters that are not in conflict with State or federal law, except for charging of agency fees for all members of the bargaining unit.

Second: In Sec. 2, 33 V.S.A. § 3603, by striking out subsections (e) and (f) in their entirety.

Third: In Sec. 5, by striking out the section in its entirety and inserting in lieu thereof the following:

Sec. 5. EFFECTIVE DATE

This act shall take effect on passage.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by Rep. Bouchard of Colchester, **Rep. Bouchard of Colchester** demanded the yeas and nays, which demand was sustained by the Constitutional number.

Recess

At twelve o'clock and one minute in the afternoon, the Speaker declared a recess until three o'clock and thirty minutes in the afternoon.

At three o'clock and thirty minutes in the afternoon, the Speaker called the House to order.

Consideration Resumed; Bill Read Third Time and Passed in Concurrence with Proposal of Amendment

S. 316

Consideration resumed on Senate bill, entitled

An act relating to child care providers

Thereupon, the Clerk proceeded to call the roll and the question, Shall the House proposal of amendment be further amended as offered by Rep. Bouchard of Colchester? was decided in the negative. Yeas, 53. Nays, 86.

Those who voted in the affirmative are:

Batchelor of Derby	Corcoran of Bennington	Fagan of Rutland City
Beyor of Highgate	Cross of Winooski	Feltus of Lyndon
Bissonnette of Winooski	Cupoli of Rutland City	Gage of Rutland City
Bouchard of Colchester	Dakin of Chester	Goodwin of Weston
Brennan of Colchester	Devereux of Mount Holly	Greshin of Warren
Browning of Arlington	Dickinson of St. Albans	Hebert of Vernon
Canfield of Fair Haven	Town	Helm of Fair Haven
Condon of Colchester	Donaghy of Poultney	Higley of Lowell
Consejo of Sheldon	Donahue of Northfield	Hubert of Milton

Johnson of Canaan	Marcotte of Coventry	Scheuermann of Stowe
Juskiewicz of Cambridge	Mitchell of Fairfax	Shaw of Pittsford
Kilmartin of Newport City *	Morrissey of Bennington	Smith of New Haven
Koch of Barre Town	Myers of Essex	Terenzini of Rutland Town
Komline of Dorset	O'Brien of Richmond	Trieber of Rockingham
Krebs of South Hero	Pearce of Richford	Turner of Milton
Larocque of Barnet	Quimby of Concord	Van Wyck of Ferrisburgh
Lawrence of Lyndon	Ralston of Middlebury	Winters of Williamstown
Lewis of Berlin	Savage of Swanton	Wright of Burlington

Those who voted in the negative are:

Ancel of Calais	Jerman of Essex	Peltz of Woodbury
Bartholomew of Hartland	Jewett of Ripton	Poirier of Barre City
Botzow of Pownal	Johnson of South Hero	Potter of Clarendon
Burke of Brattleboro	Keenan of St. Albans City	Rachelson of Burlington
Buxton of Tunbridge	Kitzmiller of Montpelier	Ram of Burlington
Campion of Bennington	Klein of East Montpelier	Russell of Rutland City
Carr of Brandon	Krowinski of Burlington	Ryerson of Randolph
Christie of Hartford	Lanpher of Vergennes	Sharpe of Bristol
Clarkson of Woodstock	Lenes of Shelburne	South of St. Johnsbury
Cole of Burlington	Lippert of Hinesburg	Spengler of Colchester
Connor of Fairfield	Macaig of Williston	Stevens of Waterbury
Copeland-Hanzas of Bradford	Malcolm of Pawlet	Stuart of Brattleboro
Davis of Washington	Manwaring of Wilmington	Sweaney of Windsor
Deen of Westminster	Marek of Newfane	Till of Jericho
Donovan of Burlington	Martin of Springfield	Toleno of Brattleboro
Ellis of Waterbury	Martin of Wolcott	Toll of Danville
Emmons of Springfield	Masland of Thetford	Townsend of South Burlington
Evans of Essex	McCarthy of St. Albans City	Vowinkel of Hartford
Fay of St. Johnsbury	McCormack of Burlington	Waite-Simpson of Essex
Fisher of Lincoln	McCullough of Williston	Walz of Barre City *
Frank of Underhill	McFaun of Barre Town	Weed of Enosburgh
French of Randolph	Michelsen of Hardwick	Wilson of Manchester
Gallivan of Chittenden	Miller of Shaftsbury	Wizowaty of Burlington
Grad of Moretown	Mook of Bennington	Woodward of Johnson
Haas of Rochester	Moran of Wardsboro	Yantacka of Charlotte
Head of South Burlington	Mrowicki of Putney	Young of Glover
Heath of Westford	Nuovo of Middlebury	Zagar of Barnard
Hoopar of Montpelier	O'Sullivan of Burlington	
Huntley of Cavendish	Partridge of Windham	
	Pearson of Burlington	

Those members absent with leave of the House and not voting are:

Branagan of Georgia	Kupersmith of South Burlington	Stevens of Shoreham
Burditt of West Rutland	Pugh of South Burlington	Strong of Albany
Conquest of Newbury	Shaw of Derby	Webb of Shelburne
Hoyt of Norwich		

Rep. Kilmartin of Newport City explained his vote as follows:

“Mr. Speaker:

Yes this amendment is needed to prevent a useless union from robbing the most poor and vulnerable parents and children, and small business women, of needed monies to increase subsidies raised from tax revenues. The only ones to gain will be the ‘new’ union bosses and the politicians who support this scandalous folly.

‘Steal from the poorest and most vulnerable’ – apparently the majority of this assembly believes that is the way to go.”

Rep. Walz of Barre City explained his vote as follows:

“Mr. Speaker:

I vote against the amendment for many reasons but do not believe the math. \$1.2 million is 1% of \$120 million, divided among 1500 providers, means they are earning \$80,000 apiece if you believe the math. I do not believe the math.”

Thereupon, the bill was read the third time.

Pending the question, Shall the bill pass in concurrence with proposal of amendment? **Rep. Wright of Burlington** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill pass in concurrence with proposal of amendment? was decided in the affirmative. Yeas, 78. Nays, 59.

Those who voted in the affirmative are:

Ancel of Calais	Frank of Underhill	Martin of Springfield
Bartholomew of Hartland	French of Randolph	Martin of Wolcott
Botzow of Pownal	Gallivan of Chittenden	Masland of Thetford
Burke of Brattleboro	Grad of Moretown	McCarthy of St. Albans City
Buxton of Tunbridge	Haas of Rochester	McCormack of Burlington
Campion of Bennington	Head of South Burlington	McCullough of Williston
Christie of Hartford	Heath of Westford	Michelsen of Hardwick
Clarkson of Woodstock	Hebert of Vernon *	Miller of Shaftsbury
Cole of Burlington	Hooper of Montpelier	Moran of Wardsboro
Connor of Fairfield	Huntley of Cavendish	Mrowicki of Putney
Copeland-Hanzas of Bradford	Jerman of Essex	Nuovo of Middlebury
Davis of Washington	Jewett of Ripton	O'Sullivan of Burlington
Deen of Westminster	Keenan of St. Albans City	Partridge of Windham
Donovan of Burlington	Kitzmiller of Montpelier	Pearson of Burlington
Ellis of Waterbury	Klein of East Montpelier	Peltz of Woodbury
Emmons of Springfield	Krowinski of Burlington	Poirier of Barre City
Evans of Essex	Lanpher of Vergennes *	Potter of Clarendon
Fay of St. Johnsbury	Lippert of Hinesburg	Rachelson of Burlington
Fisher of Lincoln	Macaig of Williston	Ram of Burlington
	Marek of Newfane	Russell of Rutland City

Ryerson of Randolph	Till of Jericho	Walz of Barre City
Sharpe of Bristol	Toleno of Brattleboro	Weed of Enosburgh
South of St. Johnsbury	Toll of Danville	Wizowaty of Burlington
Spengler of Colchester	Townsend of South	Woodward of Johnson
Stevens of Waterbury	Burlington	Yantachka of Charlotte
Stuart of Brattleboro	Vowinkel of Hartford	Zagar of Barnard
Sweaney of Windsor	Waite-Simpson of Essex	

Those who voted in the negative are:

Batchelor of Derby	Gage of Rutland City	McFaun of Barre Town
Beyor of Highgate	Goodwin of Weston	Mitchell of Fairfax
Bissonnette of Winooski	Greshin of Warren	Mook of Bennington
Bouchard of Colchester	Helm of Fair Haven	Morrissey of Bennington
Brennan of Colchester	Higley of Lowell	Myers of Essex
Browning of Arlington	Hubert of Milton	O'Brien of Richmond
Canfield of Fair Haven	Johnson of South Hero	Pearce of Richford
Carr of Brandon	Johnson of Canaan	Quimby of Concord
Condon of Colchester	Juskiewicz of Cambridge	Ralston of Middlebury
Consejo of Sheldon	Kilmartin of Newport City	Savage of Swanton
Corcoran of Bennington	Koch of Barre Town	Scheuermann of Stowe
Cross of Winooski	Komline of Dorset	Shaw of Pittsford
Cupoli of Rutland City	Krebs of South Hero	Smith of New Haven
Devereux of Mount Holly	Larocque of Barnet	Terenzini of Rutland Town
Dickinson of St. Albans Town	Lawrence of Lyndon	Trieber of Rockingham
Donaghy of Poultney	Lenes of Shelburne	Turner of Milton
Donahue of Northfield	Lewis of Berlin	Van Wyck of Ferrisburgh
Fagan of Rutland City	Malcolm of Pawlet	Wilson of Manchester
Feltus of Lyndon	Manwaring of Wilmington	Winters of Williamstown
	Marcotte of Coventry	Wright of Burlington

Those members absent with leave of the House and not voting are:

Branagan of Georgia	Kupersmith of South	Strong of Albany
Burditt of West Rutland	Burlington	Webb of Shelburne
Conquest of Newbury	Pugh of South Burlington	Young of Glover
Dakin of Chester	Shaw of Derby	
Hoyt of Norwich	Stevens of Shoreham	

Rep. Hebert of Vernon explained his vote as follows:

“Mr. Speaker:

I voted for this bill because providers in my district overwhelmingly supported this bill.

However, I still remain unconvinced that this bill will provide the benefits they hope for, nor will the bill add value to our children’s education.”

Rep. Lanpher of Vergennes explained her vote as follows:

“Mr. Speaker:

Having heard from my constituents – half in favor, half against – I am comfortable supporting this bill, as it will allow those same constituents the ability to determine their future, with their own direct vote, on whether to organize.”

Rules Suspended; Bill Referred to Committee on Ways and Means

S. 308

Pending entrance of the bill on the Calendar for notice, on motion of **Rep. Turner of Milton**, the rules were suspended and Senate bill, entitled

An act relating to regulating precious metal dealers

Was taken up for immediate consideration.

The bill, affecting the revenue of the state, under the rule, was referred to the committee on Ways and Means.

Rules Suspended; Bill Amended; Third Reading Ordered

H. 673

On motion of **Rep. Turner of Milton**, the rules were suspended and House bill, entitled

An act relating to retirement and pension amendments

Appearing on the Calendar for notice, was taken up for immediate consideration.

Rep. Martin of Wolcott, for the committee on Government Operations, to which had been referred House bill, entitled

Reported in favor of its passage when amended by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 16 V.S.A. § 1944b is added to read:

§ 1944b. RETIRED TEACHERS' HEALTH AND MEDICAL BENEFITS

FUND

(a) There is established a Retired Teachers' Health and Medical Benefits Fund (Benefits Fund) to pay retired teacher health and medical benefits, including prescription drug benefits, when due in accordance with the terms established by the Board of Trustees of the State Teachers' Retirement System of Vermont pursuant to subsection 1942(p) and subdivision 1944(c)(12) of this title. The Benefits Fund shall be administered by the Treasurer.

(b) The Benefits Fund shall consist of:

(1) all monies remitted to the State on behalf of the members of the State Teachers' Retirement System of Vermont for prescription drug plans pursuant to the Employer Group Waiver Plan with Wrap pursuant to the Medicare Prescription Drug Improvement and Modernization Act of 2003;

(2) any monies appropriated by the General Assembly for the purpose of paying the health and medical benefits for retired members and their dependents provided by subsection 1942(p) and subdivision 1944(c)(12) of this title;

(3) any monies pursuant to subsection (e) of this section;

(4) any monies the General Assembly transfers from the Supplemental Property Tax Relief Fund pursuant to 32 V.S.A. § 6075; and

(5) any monies pursuant to section 1944d of this title.

(c) No employee contributions shall be deposited in the Benefits Fund.

(d) Interest earned shall remain in the Benefits Fund, and all balances remaining at the end of a fiscal year shall be carried over to the following year; provided, however, that any amounts received in repayment of interfund loans established under subsection (e) of this section may be reinvested by the State Treasurer.

(e) Notwithstanding any provision to the contrary, the State Treasurer is authorized to use interfund loans from the General Fund for payment into the Benefits Fund, which monies shall be identified exclusively for the purposes of payments of retired teacher health and medical benefits pursuant to this section. Any monies borrowed through an interfund loan pursuant to this section shall be paid from monies in the Benefits Fund or from other funds legally available for this purpose. It is the intent of the General Assembly to appropriate sufficient General Fund revenue, after consideration of all other revenue and disbursements, such that the interfund loan may be paid in full on or before June 30, 2023. The Governor shall include in the annual budget request an amount sufficient to repay any interfund borrowing according to a schedule developed by the State Treasurer. The State Treasurer shall pay the interest and principal as due in accordance with authority granted under 32 V.S.A. § 902(b). The State Treasurer shall assess a rate of interest on the outstanding balance of the interfund loan comparable to the rate paid by private depositories of the State's monies, or to the yield available on investments made pursuant to 32 V.S.A. § 433.

(f) It is the intent of the General Assembly to appropriate the required contributions necessary to pay retired teacher health and medical benefits by

combining annual increases in base spending and surplus revenues as they become available, so that the full cost of retired teacher health and medical benefits payments may be met in base appropriations by fiscal year 2024. To the extent that other revenue sources are identified, the General Fund obligation may be reduced, but only after all annual disbursements to repay the interfund loan in subsection (e) of this section are satisfied.

Sec. 2. 16 V.S.A. § 1944 is amended to read:

§ 1944. VERMONT TEACHERS' RETIREMENT FUND

(a) Fund. All of the assets of the system shall be credited to the ~~Vermont teachers' retirement fund~~ Vermont Teachers' Retirement Fund.

(b) Member contributions.

(1) Contributions deducted from the compensation of members shall be accumulated in the ~~fund~~ Fund and separately recorded for each member.

(2) The proper authority or officer responsible for making up each employer payroll shall cause to be deducted from the compensation of each group A member five and one-half percent of the member's earnable compensation ~~and~~; from each group C member with at least five years of membership service as of July 1, 2014, five percent of the member's earnable compensation; and from each group C member with less than five years of membership service as of July 1, 2014, six percent of the member's earnable compensation, including compensation paid for absence as provided by subsection 1933(d) of this title. In determining the amount earnable by a member in a payroll period, the ~~board~~ Board may consider the rate of compensation payable to such member on the first day of a payroll period as continuing throughout the payroll period, and it may omit deduction from compensation for any period less than a full payroll period if a teacher was not a member on the first day of the payroll period, and to facilitate the making of deductions it may modify the deduction required of any member by such an amount as shall not exceed one-tenth of one percent of the annual earnable compensation upon the basis of which such deduction is made. The actuary shall make annual valuations of the reduction to the recommended State contribution attributable to the increase from five to six percent, and the Board shall include the amount of this reduction in its written report pursuant to subsection 1942(r) of this title.

* * *

Sec. 3. 16 V.S.A. § 1944c is added to read:

§ 1944c. EMPLOYER CHARGES FOR FEDERAL GRANTS OR REIMBURSEMENTS

(a) Notwithstanding any provision of law to the contrary, effective July 1, 2016, the employer retirement costs and administrative operating expenses related to the retirement plans applicable to those teachers whose funding is provided from federal grants or through federal reimbursement shall be paid by local school systems or educational entities that participate in the Vermont Teachers' Retirement Fund from those federal monies.

(b) The percentage rates to be applied shall be determined by an actuary approved by the Board of Trustees of the State Teachers' Retirement System of Vermont and shall be applied to the total earnable compensation of members prepared by the actuary in compliance with subsection 1942(r) of this title. The Secretary of Education shall annually provide an accounting of federal grants and federal reimbursements, by school system, upon which payment by the participating schools shall be determined.

(c) The State Treasurer and the Secretary of Education shall establish procedures for the collection and deposit of those monies in the State Teachers' Retirement System of Vermont. The Secretary of Education may delay implementation upon review of the federal grant program to permit timely and accurate claims for reimbursement of retirement expenses under a particular federal program in order to receive funding under that program. The Secretary of Education shall provide an annual report to the House and Senate Committees on Appropriations and on Education regarding progress in implementation of this section.

Sec. 4. 16 V.S.A. § 1944d is added to read:

§ 1944d. EMPLOYER ANNUAL CHARGE FOR TEACHER HEALTH CARE

The employer of teachers who become members of the State Teachers' Retirement System of Vermont on or after July 1, 2015 shall pay an annual assessment for those teachers' health and medical benefits. The assessment shall be the value, as approved annually by the Board of Trustees based on the actuary's recommendation, of the portion of future retired teachers' health and medical benefits attributable to those teachers for each year of service in the State Teachers' Retirement System of Vermont. For the year starting on July 1, 2015, the assessment for each teacher becoming a member of the State Teachers' Retirement System of Vermont as of or after that date shall be \$1,072.00, which is based on the June 30, 2013 actuarial valuation.

Sec. 5. 16 V.S.A. § 4001(6)(B)(ix) is added to read:

(ix) The assessment paid by the employer of teachers who become members of the State Teachers' Retirement System of Vermont on or after July 1, 2015, pursuant to section 1944d of this title.

Sec. 6. RETIRED TEACHERS' HEALTH AND MEDICAL BENEFITS
TRANSITION COMMITTEE

There is established a Retired Teachers' Health and Medical Benefits Transition Committee to develop recommendations regarding how retired teachers' health and medical benefits will make the transition when the State implements Green Mountain Care. The Committee shall consist of:

- (1) the State Treasurer or designee;
- (2) the Governor or designee;
- (3) the Secretary of Education or designee;
- (4) the Attorney General or designee;
- (5) a representative of the Vermont Retired Teachers' Association;
- (6) a representative of the Vermont School Boards Association; and
- (7) a representative of the Vermont-National Education Association.

Sec. 7. EFFECTIVE DATE

This act shall take effect on July 1, 2014.

and that after passage the title of the bill be amended to read: "An act relating to retired teachers' health care costs"

Rep. Wilson of Manchester for the committee on Ways and Means, recommended the bill ought to pass when amended as recommended by the committee on Government Operations, and when further amended as follows:

First: In Sec. 1, in subsection (e), in the first sentence, by striking out "Notwithstanding any provision to the contrary, the" and inserting in lieu thereof The, and in the third sentence, by striking out the word "may" after the words "the interfund loan" and inserting in lieu thereof the word shall.

Second: In Sec. 1, by striking out subsection (f) in its entirety and inserting a new subsection (f) to read: It is the intent of the General Assembly to appropriate the required contributions necessary to pay retired teacher health and medical benefits by combining annual increases in General Fund appropriations and surplus revenues as they become available, so that the full cost of retired teacher health and medical benefits payments shall be met in General Fund appropriations by fiscal year 2024. The General Fund obligation shall not be reduced until all annual disbursements to repay the interfund loan in subsection (e) of this section are satisfied.

Third: In Sec. 3, in subsection (a), in the first sentence, by striking out the year "2016" and inserting in lieu thereof the year 2015.

Fourth: In Sec. 4, in the third sentence, after the words “For the,” by inserting the word “fiscal”

Fifth: By striking out Sec. 6 in its entirety.

and by renumbering the remaining section to be numerically correct.

Rep. O’Brien of Richmond for the committee on Appropriations recommended that the bill ought to pass when amended as recommended by the committees on Government Operations and Ways and Means.

Thereupon, the bill was read the second time and the report of the committees on Government Operations, Ways and Means and Appropriations agreed to.

Pending the question, Shall the bill be read a third time? **Rep. Sweaney of Windsor** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be read a third time? was decided in the affirmative. Yeas, 123. Nays, 9.

Those who voted in the affirmative are:

Ancel of Calais	Ellis of Waterbury	Koch of Barre Town
Bartholomew of Hartland	Emmons of Springfield	Komline of Dorset
Beyor of Highgate	Evans of Essex	Krebs of South Hero
Bissonnette of Winooski	Fagan of Rutland City	Krowinski of Burlington
Botzow of Pownal	Fay of St. Johnsbury	Lanpher of Vergennes
Bouchard of Colchester	Feltus of Lyndon	Larocque of Barnet
Burke of Brattleboro	Fisher of Lincoln	Lawrence of Lyndon
Buxton of Tunbridge	Frank of Underhill	Lenes of Shelburne
Campion of Bennington	French of Randolph	Lewis of Berlin
Canfield of Fair Haven	Gage of Rutland City	Lippert of Hinesburg
Carr of Brandon	Greshin of Warren	Macaig of Williston
Christie of Hartford	Haas of Rochester	Malcolm of Pawlet
Clarkson of Woodstock	Head of South Burlington	Marcotte of Coventry
Condon of Colchester	Heath of Westford	Marek of Newfane
Connor of Fairfield	Helm of Fair Haven	Martin of Springfield
Conquest of Newbury	Higley of Lowell	Martin of Wolcott
Consejo of Sheldon	Hooper of Montpelier	Masland of Thetford
Copeland-Hanzas of Bradford	Hubert of Milton	McCormack of Burlington
Corcoran of Bennington	Huntley of Cavendish	McCullough of Williston
Cross of Winooski	Jerman of Essex	McFaun of Barre Town
Cupoli of Rutland City	Jewett of Ripton	Michelsen of Hardwick
Dakin of Chester	Johnson of South Hero	Miller of Shaftsbury
Deen of Westminster	Johnson of Canaan	Mook of Bennington
Devereux of Mount Holly	Juskiewicz of Cambridge	Morrissey of Bennington
Dickinson of St. Albans Town	Keenan of St. Albans City	Mrowicki of Putney
Donovan of Burlington	Kilmartin of Newport City	Myers of Essex
	Kitzmiller of Montpelier	Nuovo of Middlebury
	Klein of East Montpelier	O'Brien of Richmond

Partridge of Windham	Sharpe of Bristol	Trieber of Rockingham
Pearce of Richford	Shaw of Pittsford	Turner of Milton
Pearson of Burlington	South of St. Johnsbury	Van Wyck of Ferrisburgh
Peltz of Woodbury	Spengler of Colchester	Vowinkel of Hartford
Poirier of Barre City	Stevens of Waterbury	Waite-Simpson of Essex
Pugh of South Burlington	Stevens of Shoreham	Walz of Barre City
Quimby of Concord	Stuart of Brattleboro	Weed of Enosburgh
Rachelson of Burlington	Sweaney of Windsor	Wilson of Manchester
Ralston of Middlebury	Terenzini of Rutland Town	Winters of Williamstown
Ram of Burlington	Till of Jericho	Wizowaty of Burlington
Russell of Rutland City	Toleno of Brattleboro	Woodward of Johnson
Ryerson of Randolph	Toll of Danville	Wright of Burlington
Savage of Swanton	Townsend of South	Yantachka of Charlotte
Scheuermann of Stowe	Burlington	Zagar of Barnard

Those who voted in the negative are:

Batchelor of Derby	Donahue of Northfield	Manwaring of Wilmington
Browning of Arlington *	Goodwin of Weston	Moran of Wardsboro
Davis of Washington	Hebert of Vernon	Smith of New Haven

Those members absent with leave of the House and not voting are:

Branagan of Georgia	Grad of Moretown	O'Sullivan of Burlington
Brennan of Colchester	Hoyt of Norwich	Potter of Clarendon
Burditt of West Rutland	Kupersmith of South	Shaw of Derby
Cole of Burlington	Burlington	Strong of Albany
Donaghy of Poultney	McCarthy of St. Albans City	Webb of Shelburne
Gallivan of Chittenden	Mitchell of Fairfax	Young of Glover

Rep. Browning of Arlington explained her vote as follows:

“Mr. Speaker:

I vote no because this bill shifts part of the costs of a state obligation onto the property tax and lessens the resources for the education of Vermont children.”

Rep. Scheuermann of Stowe explained her vote as follows:

“Mr. Speaker:

I vote yes as I have long advocated for addressing the critical issue of our state’s unfunded liabilities. We have put it off for too long and this is a step in the right direction.

I am hopeful, however, that this is another kick in our backside that makes us realize the need to fundamentally reform our education funding system and provide property tax relief.”

Committee of Conference Appointed**S. 295**

Pursuant to the request of the Senate for a Committee of Conference on the disagreeing votes of the two Houses on Senate bill, entitled

An act relating to pretrial services, risk assessments, and criminal justice programs

The Speaker appointed as members of the Committee of Conference on the part of the House:

Rep. Lippert of Hinesburg

Rep. Haas of Rochester

Rep. Emmons of Springfield

Recess

At five o'clock and forty-three minutes in the evening, the Speaker declared a recess until six o'clock and forty-five minutes in the evening.

At six o'clock and forty-five minutes in the evening, the Speaker called the House to order.

Message from the Senate No. 66

A message was received from the Senate by Mr. Marshall, its Assistant Secretary, as follows:

Mr. Speaker:

I am directed to inform the House that:

The Senate has considered a bill originating in the House of the following title:

H. 552. An act relating to raising the Vermont minimum wage.

And has passed the same in concurrence with proposal of amendment in the adoption of which the concurrence of the House is requested.

The Senate has considered House proposal of amendment to Senate bill of the following title:

S. 208. An act relating to solid waste management.

And has concurred therein with an amendment in the passage of which the concurrence of the House is requested.

The Senate has considered House proposal of amendment to Senate bill entitled:

S. 295. An act relating to pretrial services, risk assessments, and criminal justice programs.

And has refused to concur therein and asks for a Committee of Conference upon the disagreeing votes of the two Houses;

The President announced the appointment as members of such Committee on the part of the Senate:

Senator Sears
 Senator Benning
 Senator Lyons.

**Senate Proposal of Amendment Concurred in with a Further
 Amendment Thereto; Rules Suspended and
 Bill was Ordered Messaged to the Senate Forthwith**

S. 220

The Senate concurred in the House proposal of amendment with a further amendment thereto to Senate bill, entitled

An act relating to furthering economic development

By striking all after the enacting clause and inserting in lieu thereof the following:

* * * One-Stop Shop Business Portal * * *

Sec. 1. ONE-STOP SHOP WEB PORTAL

(a) In order to simplify the process for business creation and growth, the Office of the Secretary of State, Department of Taxes, Department of Labor, the Vermont Attorney General, the Agency of Commerce and Community Development, and the Agency of Administration have formed a Business Portal Committee to create an online "one-stop shop" for business registration, business entity creation, and registration compliance.

(b) On or before January 15, 2015, the Business Portal Committee shall report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development to inform the committees of the status of the project and a timeline for its completion.

* * * Vermont Entrepreneurial Lending Program;
 Vermont Entrepreneurial Investment Tax Credit * * *

Sec. 2. 10 V.S.A. chapter 12 is amended to read:

CHAPTER 12. VERMONT ECONOMIC DEVELOPMENT
 AUTHORITY

* * *

Subchapter 12. ~~Technology Loan~~ Vermont Entrepreneurial Lending Program

§ 280aa. FINDINGS AND PURPOSE

(a)(1) ~~Technology-based companies~~ Vermont-based seed, start-up, and early growth-stage businesses are a vital source of innovation, employment, and economic growth in Vermont. The continued development and success of ~~this increasingly important sector of Vermont's economy~~ these businesses is dependent upon the availability of flexible, risk-based capital.

(2) Because the primary assets of ~~technology based companies~~ sometimes seed, start-up, and early growth-stage businesses often consist almost entirely of intellectual property or insufficient tangible assets to support conventional lending, ~~such~~ these companies frequently do not have access to conventional means of raising capital, such as asset-based bank financing.

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

§ 280bb. ~~TECHNOLOGY LOAN~~ VERMONT ENTREPRENEURIAL LENDING PROGRAM

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

(1) loans up to \$100,000.00 for manufacturing businesses with innovative products that typically reflect long-term growth;

(2) loans from \$250,000.00 through \$1,000,000.00 to early growth-stage companies who do not meet the current underwriting criteria of other public and private lending institutions; and

(3) loans to businesses that are unable to access adequate capital resources because the primary assets of these businesses are typically intellectual property or similar nontangible assets.

(b) The economic development authority Authority shall establish such adopt regulations, policies, and procedures for the program Program as are necessary to carry out the purposes of this subchapter. The authority's lending criteria shall include consideration of in state competition and whether a company has made reasonable efforts to secure capital in the private sector increase the amount of investment funds available to Vermont businesses whose capital requirements are not being met by conventional lending sources.

(c) When considering entrepreneurial lending through the Program, the Authority shall give additional consideration and weight to an application of a business whose business model and practices will have a demonstrable effect in achieving other public policy goals of the State, including:

(1) The business will create jobs in strategic sectors such as the knowledge-based economy, renewable energy, advanced manufacturing, wood products manufacturing, and value-added agricultural processing.

(2) The business is located in a designated downtown, village center, growth center, or other significant geographic location recognized by the State.

(3) The business adopts energy and thermal efficiency practices in its operations or otherwise operates in a way that reflects a commitment to green energy principles.

(4) The business will create jobs that pay a livable wage and significant benefits to Vermont employees.

(d) The Authority shall include provisions in the terms of an entrepreneurial loan made under the Program to ensure that an entrepreneurial loan recipient shall maintain operations within the State for a minimum of five years from the date on which the recipient receives the entrepreneurial loan funds from the Authority.

* * *

Sec. 3. VERMONT ENTREPRENEURIAL LENDING PROGRAM; LOAN LOSS RESERVE FUNDS; CAPITALIZATION

(a) The Vermont Economic Development Authority shall capitalize loan loss reserves for the Vermont Entrepreneurial Lending Program created in 10 V.S.A. § 280bb with up to \$1,000,000.00 from Authority funds or eligible federal funds currently administered by the Authority.

(b) The Vermont Economic Development Authority shall use the funds allocated to the Program, as referenced in subsection (a) of this section, solely for the purpose of establishing and maintaining loan loss reserves to guarantee entrepreneurial loans.

* * * Electricity Rates for Businesses * * *

Sec. 4. COMMISSIONER OF PUBLIC SERVICE STUDY; BUSINESS ELECTRICITY RATES

(a) The Commissioner of Public Service, in consultation with the Public Service Board and the Secretary of Commerce and Community Development, shall conduct a study of how best to advance the public good through consideration of the competitiveness of Vermont's energy-intensive businesses with regard to electricity costs. As used in this section, "energy-intensive business" or "business" means a manufacturer, a business that uses 1,000 MWh or more of electricity per year, or a business that meets another energy threshold deemed more appropriate by the Commissioner.

(b) In conducting the study required by this section, the Commissioner shall consider:

(1) how best to incorporate into rate design proceedings the impact of electricity costs on business competitiveness and the identification of the costs of service incurred by businesses;

(2) with regard to the energy efficiency programs established under 30 V.S.A. § 209, potential changes to their delivery, funding, financing, and participation requirements;

(3) the history and outcome of any evaluations of the Energy Savings Account or Customer Credit programs, as well as best practices for customer self-directed energy efficiency programs;

(4) the history and outcome of any evaluations of retail choice programs or policies, as they relate to business competitiveness, that have been undertaken in Vermont and in other jurisdictions;

(5) any other programs or policies the Commissioner deems relevant; and

(6) whether and to what extent any programs or policies considered by the Commissioner under this section would impose cost shifts onto other customers, result in stranded costs (costs that cannot be recovered by a regulated utility due to a change in regulatory structure or policy), or conflict with renewable energy requirements in Vermont.

(c) In conducting the study required by this section, the Commissioner shall provide the following persons and entities an opportunity for written and oral comments:

(1) consumer and business advocacy groups;

(2) regional development corporations; and

(3) any other person or entity as determined by the Commissioner.

(d) On or before December 15, 2014, the Commissioner shall provide a status report to the General Assembly of his or her findings regarding regulatory or statutory changes that would reduce electric energy costs for Vermont businesses and promote the public good. On or before December 15, 2015, the Commissioner shall provide a final report to the General Assembly of such findings and recommendations.

* * * Domestic Export Program * * *

Sec. 5. DOMESTIC MARKET ACCESS PROGRAM FOR VERMONT AGRICULTURE AND FOREST PRODUCTS

The Secretary of Agriculture, Food and Markets, in collaboration with the Agency of Commerce and Community Development and the Chief Marketing Officer, may create a Domestic Export Program Pilot Project within the “Made in Vermont” designation program, the purpose of which shall be to connect Vermont producers with brokers, buyers, and distributors in other U.S. state and regional markets, and to provide technical and marketing assistance to Vermont producers to convert these connections into increased sales and sustainable commercial relationships.

* * * Criminal Penalties for Computer Crimes * * *

Sec. 6. 13 V.S.A. chapter 87 is amended to read:

CHAPTER 87. COMPUTER CRIMES

* * *

§ 4104. ALTERATION, DAMAGE, OR INTERFERENCE

(a) A person shall not intentionally and without lawful authority, alter, damage, or interfere with the operation of any computer, computer system, computer network, computer software, computer program, or data contained in such computer, computer system, computer program, or computer network.

(b) Penalties. A person convicted of violating this section shall be:

(1) if the damage or loss does not exceed \$500.00 for a first offense, imprisoned not more than one year or fined not more than ~~\$500.00~~ \$5,000.00, or both;

(2) if the damage or loss does not exceed \$500.00 for a second or subsequent offense, imprisoned not more than two years or fined not more than ~~\$1,000.00~~ \$10,000.00, or both; or

(3) if the damage or loss exceeds \$500.00, imprisoned not more than 10 years or fined not more than ~~\$10,000.00~~ \$100,000.00, or both.

§ 4105. THEFT OR DESTRUCTION

(a)(1) A person shall not intentionally and without claim of right deprive the owner of possession, take, transfer, copy, conceal, or retain possession of, or intentionally and without lawful authority, destroy any computer system, computer network, computer software, computer program, or data contained in such computer, computer system, computer program, or computer network.

(2) Copying a commercially available computer program or computer software is not a crime under this section, provided that the computer program and computer software has a retail value of \$500.00 or less and is not copied for resale.

(b) Penalties. A person convicted of violating this section shall be:

(1) if the damage or loss does not exceed \$500.00 for a first offense, imprisoned not more than one year or fined not more than ~~\$500.00~~ \$5,000.00, or both;

(2) if the damage or loss does not exceed \$500.00 for a second or subsequent offense, imprisoned not more than two years or fined not more than ~~\$1,000.00~~ \$10,000.00, or both; or

(3) if the damage or loss exceeds \$500.00, imprisoned not more than 10 years or fined not more than ~~\$10,000.00~~ \$100,000.00, or both.

§ 4106. CIVIL LIABILITY

A person damaged as a result of a violation of this chapter may bring a civil action against the violator for damages, costs, and fees, including reasonable attorney's fees, and such other relief as the court deems appropriate.

* * *

* * * Statute of Limitations to Commence Action
for Misappropriation of Trade Secrets * * *

Sec. 7. 12 V.S.A. § 523 is amended to read:

§ 523. TRADE SECRETS

An action for misappropriation of trade secrets under 9 V.S.A. chapter 143 ~~of Title 9~~ shall be commenced within ~~three~~ five years after the cause of action accrues, and not after. The cause of action shall be deemed to accrue as of the date the misappropriation was discovered or reasonably should have been discovered.

* * * Protection of Trade Secrets * * *

Sec. 8. 9 V.S.A. chapter 143 is amended to read:

CHAPTER 143. TRADE SECRETS

§ 4601. DEFINITIONS

As used in this chapter:

(1) “Improper means” includes theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy, or espionage through electronic or other means.

(2) “Misappropriation” means:

(A) acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means; or

(B) disclosure or use of a trade secret of another without express or implied consent by a person who:

(i) used improper means to acquire knowledge of the trade secret; or

(ii) at the time of disclosure or use, knew or had reason to know that his or her knowledge of the trade secret was:

(I) derived from or through a person who had utilized improper means to acquire it;

(II) acquired under circumstances giving rise to a duty to maintain its secrecy or limit its use; or

(III) derived from or through a person who owed a duty to the person seeking relief to maintain its secrecy or limit its use; or

(iii) before a material change of his or her position, knew or had reason to know that it was a trade secret and that knowledge of it had been acquired by accident or mistake.

(3) “Trade secret” means information, including a formula, pattern, compilation, program, device, method, technique, or process, that:

(A) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and

(B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

§ 4602. INJUNCTIVE RELIEF

(a) ~~Actual~~ A court may enjoin actual or threatened misappropriation ~~may be enjoined~~ of a trade secret. Upon application to the court, an injunction shall

be terminated when the trade secret has ceased to exist, but the injunction may be continued for an additional reasonable period of time in order to eliminate commercial advantage that otherwise would be derived from the misappropriation.

(b) In exceptional circumstances, an injunction may condition future use upon payment of a reasonable royalty for no longer than the period of time for which use could have been prohibited. Exceptional circumstances include, ~~but are not limited to,~~ a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation that renders a prohibitive injunction inequitable.

(c) In appropriate circumstances, affirmative acts to protect a trade secret may be compelled by court order.

§ 4603. DAMAGES

(a)(1) Except to the extent that a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation renders a monetary recovery inequitable, a complainant is entitled to recover damages for misappropriation.

(2) Damages can include both the actual loss caused by misappropriation and the unjust enrichment caused by misappropriation that is not taken into account in computing actual loss.

(3) In lieu of damages measured by any other methods, the damages caused by misappropriation may be measured by imposition of liability for a reasonable royalty for a misappropriator's unauthorized disclosure or use of a trade secret.

(4) A court shall award a successful complainant his or her costs and fees, including reasonable attorney's fees, arising from a misappropriation of the complainant's trade secret.

(b) If malicious misappropriation exists, the court may award punitive damages.

§ 4605. PRESERVATION OF SECRECY

In an action under this chapter, a court shall preserve the secrecy of an alleged trade secret by reasonable means, which may include granting protective orders in connection with discovery proceedings, holding in-camera hearings, sealing the records of the action, and ordering any person involved in the litigation not to disclose an alleged trade secret without prior court approval.

§ 4607. EFFECT ON OTHER LAW

(a) Except as provided in subsection (b) of this section, this chapter displaces conflicting tort, restitutionary, and any other law of this ~~state~~ State providing civil remedies for misappropriation of a trade secret.

(b) This chapter does not affect:

(1) contractual remedies, whether or not based upon misappropriation of a trade secret;

(2) other civil remedies that are not based upon misappropriation of a trade secret; or

(3) criminal remedies, whether or not based upon misappropriation of a trade secret.

* * *

* * * Technology Businesses and Government
Contracting * * *

Sec. 9. 3 V.S.A. § 346 is added to read:

§ 346. STATE CONTRACTING; INTELLECTUAL PROPERTY, SOFTWARE DESIGN, AND INFORMATION TECHNOLOGY

(a) The Secretary of Administration shall include in Administrative Bulletin 3.5 a policy direction applicable to State procurement contracts that include services for the development of software applications, computer coding, or other intellectual property, which would allow the State of Vermont to grant permission to the contractor to use the intellectual property created under the contract for the contractor's commercial purposes.

(b) The Secretary may recommend contract provisions that authorize the State to negotiate with a contractor to secure license terms and license fees, royalty rights, or other payment mechanism for the contractor's commercial use of intellectual property developed under a State contract.

(c) If the Secretary authorizes a contractor to own intellectual property developed under a State contract, the Secretary shall recommend language to ensure the State retains a perpetual, irrevocable, royalty-free, and fully paid right to continue to use the intellectual property.

* * * Study; Commercial Lenders * * *

Sec. 10. STUDY; DEPARTMENT OF FINANCIAL REGULATION; LICENSED LENDER REQUIREMENTS; COMMERCIAL LENDERS

On or before January 15, 2015, the Department of Financial Regulation shall evaluate and report to the House Committee on Commerce and Economic Development and to the Senate Committees on Finance and on Economic

Development, Housing and General Affairs any statutory and regulatory changes to the State's licensed lender requirements that are necessary to open private capital markets and remove unnecessary barriers to business investment in Vermont.

* * * Tourism Funding; Study * * *

Sec. 11. TOURISM FUNDING; PILOT PROJECT STUDY

On or before January 15, 2015, the Secretary of Commerce and Community Development shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a report that analyzes the results of the performance-based funding pilot project for the Department of Tourism and Marketing and recommends appropriate legislative or administrative changes to the funding mechanism for tourism and marketing programs.

* * * Land Use; Housing; Industrial Development * * *

Sec. 12. 10 V.S.A. § 238 is added to read:

§ 238. AVAILABILITY OF LOANS AND ASSISTANCE FOR INDUSTRIAL PARKS

Notwithstanding any provision of this chapter to the contrary, the developer of a project in an industrial park permitted under chapter 151 of this title shall have access to the loans and assistance available to a local development corporation from the Vermont Economic Development Authority for the improvement of industrial parks under this subchapter.

Sec. 13. 10 V.S.A. § 6001(35) is added to read:

(35) "Industrial park" means an area of land permitted under this chapter that is planned, designed, and zoned as a location for one or more industrial buildings, that includes adequate access roads, utilities, water, sewer, and other services necessary for the uses of the industrial buildings, and includes no retail use except that which is incidental to an industrial use, and no office use except that which is incidental or secondary to an industrial use.

Sec. 14. REVIEW OF MASTER PLAN POLICY

On or before January 1, 2015, the Natural Resources Board shall review its master plan policy and commence the policy's adoption as a rule. The proposed rule shall include provisions for efficient master plan permitting and master plan permit amendments for industrial parks. The Board shall consult with affected parties when developing the proposed rule.

* * * Primary Agricultural Soils; Industrial Parks * * *

Sec. 15. 10 V.S.A. § 6093(a)(4) is amended to read:

(4) Industrial parks.

(A) Notwithstanding any provision of this chapter to the contrary, a conversion of primary agricultural soils located in an industrial park ~~as defined in subdivision 212(7) of this title and~~ permitted under this chapter and in existence as of January 1, 2006, shall be allowed to pay a mitigation fee computed according to the provisions of subdivision (1) of this subsection, except that it shall be entitled to a ratio of 1:1, protected acres to acres of affected primary agricultural soil. If an industrial park is developed to the fullest extent before any expansion, this ratio shall apply to any contiguous expansion of such an industrial park that totals no more than 25 percent of the area of the park or no more than 10 acres, whichever is larger; provided any expansion based on percentage does not exceed 50 acres. Any expansion larger than that described in this subdivision shall be subject to the mitigation provisions of this subsection at ratios that depend upon the location of the expansion.

(B) In any application to a ~~district commission for expansion of~~ District Commission to amend a permit for an existing industrial park, ~~compact development patterns shall be encouraged that assure the most efficient and full use of land and the realization of maximum economic development potential through appropriate densities~~ shall be allowed consistent with all applicable criteria of subsection 6086(a) of this title. Industrial park expansions and industrial park infill shall not be subject to requirements established in subdivision 6086(a)(9)(B)(iii) of this title, nor to requirements established in subdivision 6086(a)(9)(C)(iii).

* * * Affordable Housing * * *

Sec. 16. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

In this chapter:

* * *

(3)(A) “Development” means each of the following:

* * *

(iv) The construction of housing projects such as cooperatives, condominiums, or dwellings, or construction or maintenance of mobile homes or ~~trailer~~ mobile home parks, with 10 or more units, constructed or maintained on a tract or tracts of land, owned or controlled by a person, within a radius of five miles of any point on any involved land, and within any continuous period of five years. However:

(I) A priority housing project shall constitute a development under this subdivision (3)(A)(iv) only if the number of housing units in the project is:

(aa) 275 or more, in a municipality with a population of 15,000 or more;

(bb) 150 or more, in a municipality with a population of 10,000 or more but less than 15,000;

(cc) 75 or more, in a municipality with a population of 6,000 or more but less than 10,000.

(dd) 50 or more, in a municipality with a population of 3,000 or more but less than 6,000;

(ee) 25 or more, in a municipality with a population of less than 3,000; and

(ff) notwithstanding subdivisions (aa) through (ee) of this subdivision (3)(A)(iv)(I), 10 or more if the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have no adverse effect; no adverse effect provided that specified conditions are met; or will have an adverse effect but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document.

(II) The determination of jurisdiction over a priority housing project shall count only the housing units included in that discrete project.

(III) Housing units in a priority housing project shall not count toward determining jurisdiction over any other project.

* * *

~~(B)(i) Smart Growth Jurisdictional Thresholds. Notwithstanding the provisions of subdivision (3)(A) of this section, if a project consists exclusively of mixed income housing or mixed use, or any combination thereof, and is located entirely within a growth center designated pursuant to 24 V.S.A. 2793e or entirely within a downtown development district designated pursuant to 24 V.S.A. § 2793, “development” means:~~

~~(I) Construction of mixed income housing with 200 or more housing units or a mixed use project with 200 or more housing units, in a municipality with a population of 15,000 or more.~~

~~(II) Construction of mixed income housing with 100 or more housing units or a mixed use project with 100 or more housing units, in a municipality with a population of 10,000 or more but less than 15,000.~~

~~(III) Construction of mixed income housing with 50 or more housing units or a mixed use project with 50 or more housing units, in a municipality with a population of 6,000 or more and less than 10,000.~~

~~(IV) Construction of mixed income housing with 30 or more housing units or a mixed use project with 30 or more housing units, in a municipality with a population of 3,000 or more but less than 6,000.~~

~~(V) Construction of mixed income housing with 25 or more housing units or a mixed use project with 25 or more housing units, in a municipality with a population of less than 3,000.~~

~~(VI) Historic Buildings. Construction of 10 or more units of mixed income housing or a mixed use project with 10 or more housing units where the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have: no adverse effect; no adverse effect provided that specified conditions are met; or, will have an adverse effect, but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document.~~

~~(ii) Mixed Income Housing Jurisdictional Thresholds. Notwithstanding the provisions of subdivision (3)(A) of this section, if a project consists exclusively of mixed income housing and is located entirely within a Vermont neighborhood designated pursuant to 24 V.S.A. § 2793d or a neighborhood development area as defined in 24 V.S.A. § 2791(16); "development" means:~~

~~(I) Construction of mixed income housing with 200 or more housing units, in a municipality with a population of 15,000 or more.~~

~~(II) Construction of mixed income housing with 100 or more housing units, in a municipality with a population of 10,000 or more but less than 15,000.~~

~~(III) Construction of mixed income housing with 50 or more housing units, in a municipality with a population of 6,000 or more and less than 10,000.~~

~~(IV) Construction of mixed income housing with 30 or more~~

~~housing units, in a municipality with a population of 3,000 or more but less than 6,000.~~

~~(V) Construction of mixed income housing with 25 or more housing units, in a municipality with a population of less than 3,000.~~

~~(VI) Historic Buildings. Construction of 10 or more units of mixed income housing where the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have: no adverse effect; no adverse effect provided that specified conditions are met; or will have an adverse effect, but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document. [Repealed.]~~

~~(C) For the purposes of determining jurisdiction under subdivisions subdivision (3)(A) and (3)(B) of this section, the following shall apply:~~

~~(i) Incentive for Growth Inside Designated Areas. Notwithstanding subdivision (3)(A)(iv) of this section, housing units constructed by a person partially or completely outside a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area shall not be counted to determine jurisdiction over housing units constructed by that person entirely within a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area. [Repealed.]~~

~~(ii) Five-Year, Five-Mile Radius Jurisdiction Analysis. Within any continuous period of five years, housing units constructed by a person entirely within a designated downtown district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area shall be counted together with housing units constructed by that person partially or completely outside a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area to determine jurisdiction over the housing units constructed by a person partially or completely outside the designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area and within a five mile radius in accordance with subdivision (3)(A)(iv) of this section. [Repealed.]~~

~~(iii) Discrete Housing Projects in Designated Areas and Exclusive Counting for Housing Units. Notwithstanding subdivisions (3)(A)(iv) and (19)~~

~~of this section, jurisdiction shall be determined exclusively by counting housing units constructed by a person within a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area, provided that the housing units are part of a discrete project located on a single tract or multiple contiguous tracts of land. [Repealed.]~~

* * *

(27) “Mixed income housing” means a housing project in which the following apply:

(A) Owner-occupied housing. At the option of the applicant, owner-occupied housing may be characterized by either of the following:

(i) at least 15 percent of the housing units have a purchase price which at the time of first sale does not exceed 85 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency; or

(ii) at least 20 percent of the housing units have a purchase price which at the time of first sale does not exceed 90 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency;

(B) ~~Affordable~~ Rental Housing. At least 20 percent of the housing units that is are rented by the occupants whose gross annual household income does not exceed 60 percent of the county median income, or 60 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the United States Department of Housing and Urban Development for use with the Housing Credit Program under Section 42(g) of the Internal Revenue Code, and the total annual cost of the housing, as defined at Section 42(g)(2)(B), is not more than 30 percent of the gross annual household income as defined at Section 42(g)(2)(C), and with constitute affordable housing and have a duration of affordability of no less than 30 20 years.

(28) “Mixed use” means construction of both mixed income housing and construction of space for any combination of retail, office, services, artisan, and recreational and community facilities, provided at least 40 percent of the gross floor area of the buildings involved is mixed income housing. “Mixed use” does not include industrial use.

(29) “Affordable housing” means either of the following:

(A) ~~Housing~~ housing that is owned by its occupants whose gross annual household income does not exceed 80 percent of the county median

income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the United States Department of Housing and Urban Development, and the total annual cost of the housing, including principal, interest, taxes, insurance, and condominium association fees, is not more than 30 percent of the gross annual household income; or

(B) ~~Housing~~ housing that is rented by the occupants whose gross annual household income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the United States Department of Housing and Urban Development, and the total annual cost of the housing, including rent, utilities, and condominium association fees, is not more than 30 percent of the gross annual household income.

* * *

(36) “Priority housing project” means a discrete project located on a single tract or multiple contiguous tracts of land that consists exclusively of:

(A) mixed income housing or mixed use, or any combination thereof, and is located entirely within a designated downtown development district, designated growth center, or designated village center that is also a designated neighborhood development area under 24 V.S.A. chapter 76A; or

(B) mixed income housing and is located entirely within a designated Vermont neighborhood or designated neighborhood development area under 24 V.S.A. chapter 76A.

* * *

* * * Credit Facility for Vermont Clean Energy Loan Fund * * *

Sec. 17. 2013 Acts and Resolves No. 87, Sec. 8 is amended to read:

Sec. 8. INVESTMENT OF STATE MONIES

The Treasurer is hereby authorized to establish a ~~short-term~~ credit facility for the benefit of the Vermont Economic Development Authority in an amount of up to \$10,000,000.00.

* * * Licensed Lender Requirements; Exemption for De Minimis Lending Activity * * *

Sec. 18. 8 V.S.A. § 2201 is amended to read:

2201. LICENSES REQUIRED

(a) No person shall without first obtaining a license under this chapter from the ~~commissioner~~ Commissioner:

(1) engage in the business of making loans of money, credit, goods, or things in action and charge, contract for, or receive on any such loan interest, a finance charge, discount, or consideration ~~therefore~~ therefor;

(2) act as a mortgage broker;

(3) engage in the business of a mortgage loan originator; or

(4) act as a sales finance company.

(b) Each licensed mortgage loan originator must register with and maintain a valid unique identifier with the Nationwide Mortgage Licensing System and Registry and must be either:

(1) ~~an~~ An employee actively employed at a licensed location of, and supervised and sponsored by, only one licensed lender or licensed mortgage broker operating in this ~~state~~; State.

(2) ~~an~~ An individual sole proprietor who is also a licensed lender or licensed mortgage broker; ~~or~~.

(3) ~~an~~ An employee engaged in loan modifications employed at a licensed location of, and supervised and sponsored by, only one third-party loan servicer licensed to operate in this ~~state~~ State pursuant to chapter 85 of this title. ~~For purposes of~~ As used in this subsection, "loan modification" means an adjustment or compromise of an existing residential mortgage loan. The term "loan modification" does not include a refinancing transaction.

(c) A person licensed pursuant to subdivision (a)(1) of this section may engage in mortgage brokerage and sales finance if such person informs the ~~commissioner~~ Commissioner in advance that he or she intends to engage in sales finance and mortgage brokerage. Such person shall inform the ~~commissioner~~ Commissioner of his or her intention on the original license application under section 2202 of this title, any renewal application under section 2209 of this title, or pursuant to section 2208 of this title, and shall pay the applicable fees required by subsection 2202(b) of this title for a mortgage broker license or sales finance company license.

(d) No lender license, mortgage broker license, or sales finance company license shall be required of:

(1) ~~a state~~ A State agency, political subdivision, or other public instrumentality of the ~~state~~; State.

(2) ~~a~~ A federal agency or other public instrumentality of the United States; ;

(3) ~~a~~ A gas or electric utility subject to the jurisdiction of the ~~public service board~~ Public Service Board engaging in energy conservation or safety loans;

(4) ~~a~~ A depository institution or a financial institution as defined in 8 V.S.A. § 11101(32);

(5) ~~a~~ A pawnbroker;

(6) ~~an~~ An insurance company;

(7) ~~a~~ A seller of goods or services that finances the sale of such goods or services, other than a residential mortgage loan;

(8) ~~any~~ Any individual who offers or negotiates the terms of a residential mortgage loan secured by a dwelling that served as the individual's residence, including a vacation home, or inherited property that served as the deceased's dwelling, provided that the individual does not act as a mortgage loan originator or provide financing for such sales so frequently and under such circumstances that it constitutes a habitual activity and acting in a commercial context;

(9) ~~lenders~~ Lenders that conduct their lending activities, other than residential mortgage loan activities, through revolving loan funds, that are nonprofit organizations exempt from taxation under Section 501(c) of the Internal Revenue Code, 26 U.S.C. § 501(c), and that register with the ~~commissioner of economic development~~ Commissioner of Economic Development under 10 V.S.A. § 690a;

(10) ~~persons~~ Persons who lend, other than residential mortgage loans, an aggregate of less than \$75,000.00 in any one year at rates of interest of no more than 12 percent per annum;

(11) ~~a~~ A seller who, pursuant to 9 V.S.A. § 2355(f)(1)(D), includes the amount paid or to be paid by the seller to discharge a security interest, lien interest, or lease interest on the traded-in motor vehicle in a motor vehicle retail installment sales contract, provided that the contract is purchased, assigned, or otherwise acquired by a sales finance company licensed pursuant to this title to purchase motor vehicle retail installment sales contracts or a depository institution;

(12)(A) ~~a~~ A person making an unsecured commercial loan, which loan is expressly subordinate to the prior payment of all senior indebtedness of the commercial borrower regardless of whether such senior indebtedness exists at the time of the loan or arises thereafter. The loan may or may not include the right to convert all or a portion of the amount due on the loan to an equity interest in the commercial borrower;

(B) ~~for purposes of~~ As used in this subdivision (12), “senior indebtedness” means:

(i) all indebtedness of the commercial borrower for money borrowed from depository institutions, trust companies, insurance companies, and licensed lenders, and any guarantee thereof; and

(ii) any other indebtedness of the commercial borrower that the lender and the commercial borrower agree shall constitute senior indebtedness;

(13) ~~nonprofit~~ Nonprofit organizations established under testamentary instruments, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), and which make loans for postsecondary educational costs to students and their parents, provided that the organizations provide annual accountings to the Probate Division of the Superior Court;

(14) ~~any~~ Any individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member of the individual;

(15) a A housing finance agency.

(16) A person who makes no more than three mortgage loans in any consecutive three-year period beginning on or after July 1, 2011.

(e) No mortgage loan originator license shall be required of:

(1) Registered mortgage loan originators, when employed by and acting for an entity described in subdivision 2200(22) of this chapter.

(2) Any individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member of the individual.

(3) Any individual who offers or negotiates terms of a residential mortgage loan secured by a dwelling that served as the individual’s residence, including a vacation home, or inherited property that served as the deceased’s dwelling, provided that the individual does not act as a mortgage loan originator or provide financing for such sales so frequently and under such circumstances that it constitutes a habitual activity and acting in a commercial context.

(4) An individual who is an employee of a federal, ~~state~~ State, or local government agency, or an employee of a housing finance agency, who acts as a mortgage loan originator only pursuant to his or her official duties as an employee of the federal, ~~state~~ State, or local government agency or housing finance agency.

(5) A licensed attorney who negotiates the terms of a residential mortgage loan on behalf of a client as an ancillary matter to the attorney's representation of the client, unless the attorney is compensated by a lender, a mortgage broker, or other mortgage loan originator or by any agent of such lender, mortgage broker, or other mortgage loan originator. To the extent an attorney licensed in this State undertakes activities that are covered by the definition of a mortgage loan originator, such activities do not constitute engaging in the business of a mortgage loan originator, provided that:

(A) such activities are considered by the State governing body responsible for regulating the practice of law to be part of the authorized practice of law within this State;

(B) such activities are carried out within an attorney-client relationship; and

(C) the attorney carries them out in compliance with all applicable laws, rules, ethics, and standards.

(6) A person who makes no more than three mortgage loans in any consecutive three-year period beginning on or after July 1, 2011

(f) If a person who offers or negotiates the terms of a mortgage loan is exempt from licensure pursuant to subdivision (d)(16) or (e)(6) of this section, there is a rebuttable presumption that he or she is not engaged in the business of making loans or being a mortgage loan originator.

(g) Independent contractor loan processors or underwriters. A loan processor or underwriter who is an independent contractor may not engage in the activities of a loan processor or underwriter unless such independent contractor loan processor or underwriter obtains and maintains a mortgage loan originator license. Each independent contractor loan processor or underwriter licensed as a mortgage loan originator must have and maintain a valid unique identifier issued by the Nationwide Mortgage Licensing System and Registry.

~~(g)~~(h) This chapter shall not apply to commercial loans of \$1,000,000.00 or more.

* * * Workforce Education and Training * * *

Sec. 19. 10 V.S.A. § 545 is added to read:

§ 545. WORKFORCE EDUCATION AND TRAINING LEADER

(a) The Commissioner of Labor shall have the authority to designate one existing full-time position within the Department as “Workforce Education and Training Leader.”

(b) The Workforce Leader shall have primary authority within State government to conduct an inventory of the workforce education and training activities throughout the State both within State government agencies and departments that perform those activities and with State partners who perform those activities with State funding, and to coordinate those activities to ensure an integrated workforce education and training system throughout the State.

(c) In conducting the inventory pursuant to subsection (b) of this section, the Workforce Leader shall design and implement a stakeholder engagement process that brings together employers with potential employees, including students, the unemployed, and incumbent employees seeking further training.

(d) Notwithstanding any provision of State law to the contrary, and to the fullest extent allowed under federal law, the Leader shall ensure that in each State and State-funded workforce education and training program, the program administrator collects and reports individual data and outcomes at the individual level by Social Security Number or equivalent.

Sec. 20. INTERNSHIP OPPORTUNITIES FOR YOUNG PERSONS

On or before January 15, 2015, the Commissioner of Labor shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a report that details the internship opportunities available to Vermonters between 15 and 18 years of age and recommends one or more means to expand these opportunities through the Vermont Career Internship Program, 10 V.S.A. § 544, or through other appropriate mechanisms.

* * * Vermont Strong Scholars Program * * *

Sec. 21. 16 V.S.A. chapter 90 is redesignated to read:

CHAPTER 90. FUNDING OF POSTSECONDARY ~~INSTITUTIONS~~
EDUCATION

Sec. 22. 16 V.S.A. § 2888 is added to read:

§ 2888. VERMONT STRONG SCHOLARS PROGRAM

(a) Program creation. There is created a postsecondary loan forgiveness program to be known as the Vermont Strong Scholars Program designed to forgive a portion of Vermont Student Assistance Corporation (the Corporation) loans in order to encourage Vermonters to select majors that prepare them for

jobs that are critical to the Vermont economy, to enroll and remain enrolled in a Vermont postsecondary institution, and to live in Vermont upon graduation.

(b) Academic majors; projections.

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

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

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

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

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

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

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

(2) is a graduate of an eligible institution;

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

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

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

(6) is employed in Vermont in a field or specific position closely related to the identified degree during the period of loan forgiveness; and

(7) is a Vermont resident throughout the period of loan forgiveness.

(d) Loan forgiveness.

(1) An eligible individual shall have his or her postsecondary loan from the Corporation forgiven as follows:

(A) for an individual awarded an associate's degree by an eligible institution, in an amount equal to the tuition rate for 15 credits at the Community College of Vermont during the individual's final semester of enrollment, to be prorated over the three years following graduation; and

(B) for an individual awarded a bachelor's degree by an eligible institution, in an amount equal to the in-state tuition rate at the Vermont State Colleges during the individual's final year of enrollment, to be prorated over the five years following graduation;

(2) Loan forgiveness may be awarded on a prorated basis to an otherwise eligible Vermont resident who transfers to and is graduated from an eligible institution.

(e) Program management and funding. The Secretary shall develop all organizational details of the Program consistent with the purposes and requirements of this section, including the identification of eligible major programs and eligible jobs. The Secretary may contract with the Corporation for management of the Program. The Secretary may adopt rules pursuant to 3 V.S.A. chapter 25 necessary to implement the Program. The availability and payment of loan forgiveness awards under this section are subject to funding available to the Corporation for the awards.

(f) Fund creation.

(1) There is created a special fund to be known as the Vermont Strong Scholars Fund pursuant to 32 V.S.A. chapter 7, subchapter 5. The Fund shall be used and administered solely for the purposes of this section. Any remaining balance at the end of the fiscal year shall be carried forward in the Fund.

(2) The Fund shall consist of sums to be identified by the Secretary from any source accepted for the benefit of the Fund and interest earned from the investment of Fund balances.

Sec. 23. VERMONT STRONG INTERIM REPORT

On or before November 1, 2014, the Secretary of Commerce and Community Development shall report to the Joint Fiscal Committee on the organizational and economic details of the Vermont Strong Scholars Program, and specifically on the majors selected for forgiveness and the projected annual cost, the proposed funding source, and the projected fund balance for each fiscal year through fiscal year 2018.

* * * Vermont Products Program * * *

Sec. 24. VERMONT PRODUCTS PROGRAM; STUDY; REPORT

(a) On or before September 1, 2015, the Agency of Commerce and Community Development, after consulting with appropriate stakeholders, shall report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development on creating a Vermont Products Program for the purpose of providing Vermont businesses with a means of promoting and marketing products and services that are manufactured, designed, engineered, or formulated in Vermont and avoiding confusion by consumers when the Vermont brand is used in marketing products or services.

(b) The report required by this section shall describe the method, feasibility, and cost of creating a Vermont Products Program that includes the following elements:

(1) The program shall include a licensing system that enables qualifying persons to make marketing claims concerning significant business activities occurring in Vermont, and to self-certify products and services that are manufactured, designed, engineered, or formulated in Vermont. Under this system, the Secretary shall identify and craft branding and marketing guidelines that concern whether and how qualifying products or services manufactured, designed, engineered, or formulated in Vermont can be properly claimed so as to be licensed. The licensing system shall permit an applicant to self-certify compliance with designated criteria and attest to the accuracy of claims authorized by the Secretary in order to obtain a license to advertise and promote a product or service using the licensed materials.

(2) The program may charge an annual fee for the issuance of the license.

(3) The program shall include an on-line application process that permits an applicant to obtain the license if he or she certifies compliance with criteria designated by the Secretary, attests to the accuracy of statements designated by the Secretary, and pays the required fee.

(4) Licenses issued under the program shall include a provision requiring that disputes regarding the license be resolved by alternative dispute resolution. A person who objects to the issuance of a license may file a complaint with the Secretary, who shall refer it for alternative dispute resolution as provided in the license.

(5) A special fund, comprising license fees and any monies appropriated by the General Assembly, may be created for the administration and advertising of the program.

(c) The report required by this section shall include a recommendation as to whether the Vermont Products Program should replace the rules regarding

Vermont Origin adopted by the Attorney General.

* * * 10 Percent for Vermont * * *

Sec. 25. VERMONT STATE TREASURER; CREDIT FACILITY FOR LOCAL INVESTMENTS

(a) Notwithstanding any other provision of law to the contrary, the Vermont State Treasurer shall have the authority to establish a credit facility of up to 10 percent of the State's average cash balance on terms acceptable to the Treasurer for purposes established by the Treasurer's Local Investment Advisory Committee.

(b) The amount authorized in subsection (a) of this section shall include all credit facilities authorized by the General Assembly and established by the Treasurer prior to or subsequent to the effective date of this section, and the renewal or replacement of those credit facilities.

Sec. 26. TREASURER'S LOCAL INVESTMENT ADVISORY COMMITTEE; REPORT

(a) Creation of committee. The Treasurer's Local Investment Advisory Committee (Advisory Committee) is established to advise the Treasurer on funding priorities and address other mechanisms to increase local investment.

(b) Membership.

(1) The Advisory Committee shall be composed of six members as follows:

(A) the State Treasurer or designee;

(B) the Chief Executive Officer of the Vermont Economic Development Authority or designee;

(C) the Chief Executive Officer of the Vermont Student Assistance Corporation or designee;

(D) the Executive Director of the Vermont Housing Finance Agency or designee;

(E) the Director of the Municipal Bond Bank or designee; and

(F) the Director of Efficiency Vermont or designee.

(2) The State Treasurer shall be the Chair of the Advisory Committee and shall appoint a vice chair and secretary. The appointed members of the Advisory Committee shall be appointed for terms of six years and shall serve until their successors are appointed and qualified.

(c) Powers and duties. The Advisory Committee shall:

(1) meet regularly to review and make recommendations to the State Treasurer on funding priorities and using other mechanisms to increase local investment in the State of Vermont;

(2) invite regularly State organizations and citizens groups to Advisory Committee meetings to present information on needs for local investment, capital gaps, and proposals for financing; and

(3) consult with constituents and review feedback on changes and needs in the local and State investment and financing environments.

(d) Meetings. The Advisory Committee shall meet no more than six times per calendar year. The meetings shall be convened by the State Treasurer.

(e) Report. On or before January 15, 2015, and annually thereafter, the Advisory Committee shall submit a report to the Senate Committees on Finance and on Government Operations and the House Committees on Ways and Means and on Government Operations. The report shall include the following:

(1) the amount of the subsidies associated with lending through each credit facility authorized by the General Assembly and established by the Treasurer;

(2) a description of the Advisory Committee's activities; and

(3) any information gathered by the Advisory Committee on the State's unmet capital needs, and other opportunities for State support for local investment and the community.

(f) It is the intent of the General Assembly that the Advisory Committee report described in subsection (e) of this section that is due on or before January 15, 2015 shall include a recommendation on whether to grant statutory authority to the Vermont Economic Development Authority to engage in banking activities.

* * * Vermont Enterprise Fund * * *

Sec. 27. VERMONT ENTERPRISE FUND

(a) There is created a Vermont Enterprise Fund, the sums of which may be used by the Governor, with the approval of the Emergency Board, for the purpose of making economic and financial resources available to businesses facing circumstances that necessitate State government support and response more rapidly than would otherwise be available from, or that would be in addition to, other economic incentives.

(b)(1) The Fund shall be administered by the Commissioner of Finance and Management as a special fund under the provisions of chapter 7, subchapter 5

of this title.

(2) The Fund shall contain any amounts transferred or appropriated to it by the General Assembly.

(3) Interest earned on the Fund and any balance remaining at the end of the fiscal year shall remain in the Fund.

(4) The Commissioner shall maintain records that indicate the amount of money in the Fund at any given time.

(c) The Governor is authorized to use amounts available in the Fund to offer economic and financial resources to an eligible business pursuant to this section, subject to approval by the Emergency Board as provided in subsection (e) of this section.

(d) To be eligible for an investment through the Fund, the Governor shall determine that a business:

(1) adequately demonstrates:

(A) a substantial statewide or regional economic or employment impact; or

(B) approval or eligibility for other economic development incentives and programs offered by the State of Vermont; and

(2) is experiencing one or more of the following circumstances:

(A) a merger or acquisition may cause the closing of all or a portion of a Vermont business, or closure or relocation outside Vermont will cause the loss of employment in Vermont;

(B) a prospective purchaser is considering the acquisition of an existing business in Vermont;

(C) an existing employer in Vermont, which is a division or subsidiary of a multistate or multinational company, may be closed or have its employment significantly reduced; or

(D) is considering Vermont for relocation or expansion.

(e)(1) Any economic and financial resources offered by the Governor under this section must be approved by the Emergency Board before an eligible business may receive assistance from the Fund.

(2) The Board shall invite the Chair of the Senate Committee on Economic Development, Housing and General Affairs and the Chair of the House Committee on Commerce and Economic Development to participate in Board deliberations under this section in an advisory capacity.

(3) The Governor or designee, shall present to the Emergency Board for its approval:

(A) information on the company;

(B) the circumstances supporting the offer of economic and financial resources;

(C) a summary of the economic activity proposed or that would be forgone;

(D) other State incentives and programs offered or involved;

(E) the economic and financial resources offered by the Governor requiring use of monies from the Fund;

(F) employment, investment, and economic impact of Fund support on the employer, including a fiscal cost-benefit analysis; and

(G) terms and conditions of the economic and financial resources offered, including:

(i) the total dollar amount and form of the economic and financial resources offered;

(ii) employment creation, employment retention, and capital investment performance requirements; and

(iii) disallowance and recapture provisions.

(4) The Emergency Board shall have the authority to approve, disapprove, or modify an offer of economic and financial resources in its discretion, including consideration of the following:

(A) whether the business has presented sufficient documentation to demonstrate compliance with subsection (d) of this section;

(B) whether the Governor has presented sufficient information to the Board under subdivision (3) of this subsection (e);

(C) whether the business has received other State resources and incentives, and if so, the type and amount; and

(D) whether the business and the Governor have made available to the Board sufficient information and documentation for the Auditor of Accounts to perform an adequate performance audit of the program, including the extent to which necessary information or documentation is or will be withheld under a claim that it is confidential, proprietary, or subject to executive privilege.

(f)(1) Proprietary business information and materials or other confidential

financial information submitted by a business to the State, or submitted by the Governor to the Emergency Board, for the purpose of negotiating or approving economic and financial resources under this section shall not be subject to public disclosure under the State's public records law in 1 V.S.A. chapter 5, but shall be available to the Joint Fiscal Office or its agent upon authorization of the Chair of the Joint Fiscal Committee, and shall also be available to the Auditor of Accounts in connection with the performance of duties under section 163 of this title; provided, however, that the Joint Fiscal Office or its agent, and the Auditor of Accounts, shall not disclose, directly or indirectly, to any person any proprietary business or other confidential information or any information which would identify a business except in accordance with a judicial order or as otherwise specifically provided by law.

(2) Nothing in this subsection shall be construed to prohibit the publication of statistical information, rulings, determinations, reports, opinions, policies, or other information so long as the data are disclosed in a form that cannot identify or be associated with a particular business.

(g) On or before January 15 of each year following a year in which economic and financial resources were made available pursuant to this section, the Secretary of Commerce and Community Development shall submit to the House Committees on Commerce and Economic Development and on Ways and Means and to the Senate Committees on Finance and on Economic Development, Housing and General Affairs a report on the resources made available pursuant to this section, including:

- (1) the name of the recipient;
- (2) the amount and type of the resources;
- (3) the aggregate number of jobs created or retained as a result of the resources;
- (4) a statement of costs and benefits to the State; and
- (5) whether any offer of resources was disallowed or recaptured.

(h) This section shall sunset on June 30, 2016 and any remaining balance in the Fund shall be transferred to the General Fund.

Sec. 28. CONTINGENT FISCAL YEAR 2014 APPROPRIATION

(a) After satisfying the requirements of 32 V.S.A. § 308, and after other reserve requirements have been met and prior to any funds reserved pursuant to 32 V.S.A. § 308c, any remaining unreserved and undesignated end of fiscal year General Fund surplus up to \$5,000,000 shall be appropriated to the extent available, in the following order:

(1) \$500,000 to the Vermont Economic Development Authority for loan loss reserves within the Vermont Entrepreneurial Lending Program for the purposes specified in 10 V.S.A. § 280bb as amended by S.220 of 2014;

(2) \$4,500,000 to the Vermont Enterprise Fund for the purposes specified in Sec. E.100.5 of this act.

* * * Telecommunications; Legislative Purpose; Intent * * *

Sec. 29. LEGISLATIVE PURPOSE; FINDINGS

It is the intent of the General Assembly to maintain a robust and modern telecommunications network in Vermont by making strategic investments in improved technology for all Vermonters. To achieve that goal, it is the purpose of this act to upgrade the State's telecommunications objectives and reorganize government functions in a manner that results in more coordinated and efficient State programs and policies, and, ultimately, produces operational savings that may be invested in further deployment of broadband and mobile telecommunications services for the benefit of all Vermonters. In addition, it is the intent of the General Assembly to update and provide for a more equitable application of the Universal Service Fund (USF) surcharge. Together, these operational savings and additional USF monies will raise at least \$1.45 million annually, as follows:

(1) \$650,000.00 from an increase in the USF charge to a flat two percent;

(2) \$500,000.00 from application of the USF charge to prepaid wireless telecommunications service providers; and

(3) \$300,000.00 in operational savings from the transfer and consolidation of State telecommunications functions.

* * * USF; Connectivity Fund; Prepaid Wireless; Rate of Charge * * *

Sec. 30. 30 V.S.A. § 7511 is amended to read:

§ 7511. DISTRIBUTION GENERALLY

(a) As directed by the ~~public service board~~, Public Service Board funds collected by the fiscal agent, and interest accruing thereon, shall be distributed as follows:

(1) ~~To~~ to pay costs payable to the fiscal agent under its contract with the ~~public service board~~. Board;

(2) ~~To~~ to support the Vermont telecommunications relay service in the manner provided by section 7512 of this title-;

(3) ~~To~~ to support the Vermont ~~lifeline~~ Lifeline program in the manner

provided by section 7513 of this title;

(4) ~~To to support enhanced-911~~ Enhanced-911 services in the manner provided by section 7514 of this title; and

(5) ~~To reduce the cost to customers of basic telecommunications service in high-cost areas, in the manner provided by section 7515 of this title to support the Connectivity Fund established in section 7516 of this chapter.~~

(b) If insufficient funds exist to support all of the purposes contained in subsection (a) of this section, the ~~public service board~~ Board shall conduct an expedited proceeding to allocate the available funds, giving priority in the order listed in subsection (a).

Sec. 31. 30 V.S.A. § 7516 is added to read:

§ 7516. CONNECTIVITY FUND

(a) There is created a Connectivity Fund for the purpose of providing access to Internet service that is capable of speeds of at least 4 Mbps download and 1 Mbps upload to every E-911 business and residential location in Vermont, beginning with locations not served as of December 31, 2013 according to the minimum technical service characteristic objectives applicable at that time. Within this category of unserved Vermonters, priority shall be given to locations having access to only satellite or dial-up Internet service. Any new services funded in whole or in part by monies in this Fund shall be capable of being continuously upgraded to reflect the best available, most economically feasible service capabilities.

(b) The fiscal agent shall determine annually, on or before September 1, the amount of funds available to the Connectivity Fund. The Department of Public Service shall publish annually a list of census blocks eligible for funding based on the Department's most recent broadband mapping data. The Department annually shall solicit proposals from service providers, the Vermont Telecommunications Authority, and the Division for Connectivity to deploy broadband to eligible census blocks. The Department shall give priority to proposals that reflect the lowest cost of providing services to unserved locations; however, the Department also shall consider:

(1) the proposed data transfer rates and other data transmission characteristics of services that would be available to consumers;

(2) the price to consumers of services;

(3) the proposed cost to consumers of any new construction, equipment installation service, or facility required to obtain service;

(4) whether the proposal would use the best available technology that is economically feasible;

(5) the availability of service of comparable quality and speed; and

(6) the objectives of the State's Telecommunications Plan.

Sec. 32. 30 V.S.A. § 7521 is amended to read:

§ 7521. CHARGE IMPOSED; WHOLESAL EXEMPTION

(a) A universal service charge is imposed on all retail telecommunications service provided to a Vermont address. Where the location of a service and the location receiving the bill differ, the location of the service shall be used to determine whether the charge applies. The charge is imposed on the person purchasing the service, but shall be collected by the telecommunications provider. Each telecommunications service provider shall include in its tariffs filed at the ~~public service board~~ Public Service Board a description of its billing procedures for the universal service fund charge.

(b) The universal service charge shall not apply to wholesale transactions between telecommunications service providers where the service is a component part of a service provided to an end user. This exemption includes, ~~but is not limited to,~~ network access charges and interconnection charges paid to a local exchange carrier.

(c) In the case of mobile telecommunications service, the universal service charge is imposed when the customer's place of primary use is in Vermont. The terms "customer," "place of primary use," and "mobile telecommunications service" have the meanings given in 4 U.S.C. § 124. All provisions of 32 V.S.A. § 9782 shall apply to the imposition of the universal service charge under this section.

(d)(1) Notwithstanding any other provision of law to the contrary, in the case of prepaid wireless telecommunications services, the universal service charge shall be imposed on the provider in the manner determined by the Public Service Board pursuant to subdivision (3) of this subsection.

(2) As used in this subsection, "prepaid wireless telecommunications service" means a telecommunications service as defined in section 203(5) of this title that a consumer pays for in advance and that is sold in predetermined units or dollars that decline with use.

(3) The Public Service Board shall establish a formula to ensure the universal service charge imposed on prepaid wireless telecommunications service providers reflects two percent of retail prepaid wireless telecommunications service in Vermont beginning on September 1, 2014.

Sec. 33. 30 V.S.A. § 7523 is amended to read:

§ 7523. ~~RATE ADJUSTED ANNUALLY~~ OF CHARGE

(a) ~~Annually, after considering the probable expenditures for programs funded pursuant to this chapter, the probable service revenues of the industry and seeking recommendations from the department, the public service board shall establish a rate of charge to apply during the 12 months beginning on the following September 1. However, the rate so established shall not at any time exceed two percent of retail telecommunications service. The board's decision shall be entered and announced each year before July 15. However, if the general assembly does not enact an authorization amount for E-911 before July 15, the board may defer decision until 30 days after the E-911 authorization is established, and the existing charge rate shall remain in effect until the board establishes a new rate~~ Beginning on July 1, 2014, the annual rate of charge shall be two percent of retail telecommunications service.

(b) Universal service charges imposed and collected by the fiscal agent under this subchapter shall not be transferred to any other fund or used to support the cost of any activity other than in the manner authorized by section 7511 of this title.

Sec. 34. 30 V.S.A. § 7524 is amended to read:

§ 7524. PAYMENT TO FISCAL AGENT

(a) Telecommunications service providers shall pay to the fiscal agent all universal service charge receipts collected from customers. A report in a form approved by ~~the public service board~~ Public Service Board shall be included with each payment.

(b) Payments shall be made monthly, by the 15th day of the month, and shall be based upon amounts collected in the preceding month. If the amount is small, the ~~board~~ Board may allow payment to be made less frequently, and may permit payment on an accrual basis.

(c) Telecommunications service providers shall maintain records adequate to demonstrate compliance with the requirements of this chapter. The ~~board~~ Board or the fiscal agent may examine those records in a reasonable manner.

(d) When a payment is due under this section by a telecommunications service provider who has provided customer credits under the ~~lifeline~~ Lifeline program, the amount due may be reduced by the amount of credit granted.

(e) The fiscal agent shall examine the records of telecommunications service providers to determine whether their receipts reflect application of the universal service charge on all assessable telecommunications services under this chapter, including the federal subscriber line charge, directory assistance,

enhanced services unless they are billed as separate line items, and toll-related services.

* * * State Telecommunications Plan; Division for Connectivity; VTA * * *

Sec. 35. 30 V.S.A. § 202c is amended to read:

§ 202c. STATE TELECOMMUNICATIONS; POLICY AND PLANNING

(a) The General Assembly finds that advances in telecommunications technology and changes in federal regulatory policy are rapidly reshaping telecommunications services, thereby promising the people and businesses of the State communication and access to information, while creating new challenges for maintaining a robust, modern telecommunications network in Vermont.

(b) Therefore, to direct the benefits of improved telecommunications technology to all Vermonters, it is the purpose of this section and section 202d of this title to:

(1) ~~Strengthen~~ strengthen the State's role in telecommunications planning;:

(2) ~~Support~~ support the universal availability of appropriate infrastructure and affordable services for transmitting voice and high-speed data;:

(3) ~~Support~~ support the availability of modern mobile wireless telecommunications services along the State's travel corridors and in the State's communities;:

(4) ~~Provide~~ provide for high-quality, reliable telecommunications services for Vermont businesses and residents;:

(5) ~~Provide~~ provide the benefits of future advances in telecommunications technologies to Vermont residents and businesses;:

(6) ~~Support~~ support competitive choice for consumers among telecommunications service providers and promote open access among competitive service providers on nondiscriminatory terms to networks over which broadband and telecommunications services are delivered;:

(7) ~~Support, to the extent practical and cost effective,~~ support the application of telecommunications technology to maintain and improve governmental and public services, public safety, and the economic development of the State;:

(8) ~~Support~~ support deployment of broadband infrastructure that:

(A) ~~Uses~~ uses the best commercially available technology;: and

(B) ~~Does~~ does not negatively affect the ability of Vermont to take advantage of future improvements in broadband technology or result in widespread installation of technology that becomes outmoded within a short period after installation; and

(9) ~~In~~ in the deployment of broadband infrastructure, encourage the use of existing facilities, such as existing utility poles and corridors and other structures, in preference to the construction of new facilities or the replacement of existing structures with taller structures.

(10) support measures designed to ensure that by the end of the year 2024 every E-911 business and residential location in Vermont has infrastructure capable of delivering Internet access with service that has a minimum download speed of 100 Mbps and is symmetrical.

Sec. 36. 30 V.S.A. § 202d is amended to read:

§ 202d. TELECOMMUNICATIONS PLAN

(a) The ~~department of public service~~ Department of Public Service shall constitute the responsible planning agency of the ~~state~~ State for the purpose of obtaining for all consumers in the ~~state~~ State stable and predictable rates and a technologically advanced telecommunications network serving all service areas in the ~~state~~ State. The ~~department of public service~~ Department shall be responsible for the provision of plans for meeting emerging trends related to telecommunications technology, markets, financing, and competition.

(b) The ~~department of public service~~ Department shall prepare a ~~telecommunications plan~~ Telecommunications Plan for the ~~state~~ State. The ~~department of innovation and information~~ Department of Innovation and Information, the Division for Connectivity and the ~~agency of commerce and community development~~ Agency of Commerce and Community Development shall assist the ~~department of public service~~ Department of Public Service in preparing the ~~plan~~ Plan. The ~~plan~~ Plan shall be for a ~~seven-year~~ ten-year period and shall serve as a basis for ~~state~~ State telecommunications policy. Prior to preparing the ~~plan~~ Plan, the ~~department of public service~~ Department shall prepare:

(1) an overview, looking ~~seven~~ ten years ahead, of future requirements for telecommunications services, considering services needed for economic development, technological advances, and other trends and factors which, as determined by the ~~department of public service~~ Department of Public Service, will significantly affect ~~state~~ State telecommunications policy and programs;

(2) a survey of Vermont residents and businesses, conducted in cooperation with the ~~agency of commerce and community development~~ Agency of Commerce and Community Development and the Division for

Connectivity, to determine what telecommunications services are needed now and in the succeeding ~~seven~~ ten years;

(3) an assessment of the current state of telecommunications infrastructure;

(4) an assessment, conducted in cooperation with the ~~department of innovation and information~~ Department of Innovation and Information and the Division for Connectivity, of the current ~~state~~ State telecommunications system and evaluation of alternative proposals for upgrading the system to provide the best available and affordable technology for use by government; and

(5) an assessment of the state of telecommunications networks and services in Vermont relative to other states, including price comparisons for key services and comparisons of the state of technology deployment.

(c) In developing the ~~plan~~ Plan, the ~~department~~ Department shall take into account the policies and goals of section 202c of this title.

(d) In establishing plans, public hearings shall be held and the ~~department of public service~~ Department shall consult with members of the public, representatives of telecommunications utilities, other providers, and other interested ~~state~~ State agencies, particularly the ~~agency of commerce and community development~~ Agency of Commerce and Community Development, the Division for Connectivity, and the ~~department of innovation and information~~ Department of Innovation and Information, whose views shall be considered in preparation of the ~~plan~~ Plan. To the extent necessary, the ~~department of public service~~ Department shall include in the ~~plan~~ Plan surveys to determine existing, needed, and desirable plant improvements and extensions, access and coordination between telecommunications providers, methods of operations, and any change that will produce better service or reduce costs. To this end, the ~~department of public service~~ Department may require the submission of data by each company subject to supervision by the ~~public service board~~ Public Service Board.

(e) Before adopting a ~~plan~~ Plan, the ~~department~~ Department shall conduct public hearings on a final draft and shall consider the testimony presented at such hearings in preparing the final ~~plan~~ Plan. At least one hearing shall be held jointly with ~~committees~~ Committees of the ~~general assembly~~ General Assembly designated by the ~~general assembly~~ General Assembly for this purpose. The ~~plan~~ Plan shall be adopted by ~~September 1, 2004~~ September 1, 2014.

(f) The ~~department~~ Department, from time to time, but in no event less than every three years, institute proceedings to review a ~~plan~~ Plan and make

revisions, where necessary. The three-year major review shall be made according to the procedures established in this section for initial adoption of the ~~plan~~ Plan. For good cause or upon request by a ~~joint resolution~~ Joint Resolution passed by the ~~general assembly~~ General Assembly, an interim review and revision of any section of the ~~plan~~ Plan may be made after conducting public hearings on the interim revision. At least one hearing shall be held jointly with ~~committees~~ Committees of the ~~general assembly~~ General Assembly designated by the ~~general assembly~~ General Assembly for this purpose.

(g) The Department shall review and update the minimum technical service characteristic objectives not less than every three years beginning in 2017. In the event such review is conducted separately from an update of the Plan, the Department shall issue revised minimum technical service characteristic objectives as an amendment to the Plan.

Sec. 37. 3 V.S.A. § 2225 is added to read:

§ 2225. DIVISION FOR CONNECTIVITY

(a) Creation. The Division for Connectivity is created within the Agency of Administration as the successor in interest to and the continuation of the Vermont Telecommunications Authority. A Director for Connectivity shall be appointed by the Secretary of Administration. The Division shall receive administrative support from the Agency.

(b) Purposes. The purposes of the Division are to promote:

(1) access to affordable broadband service to all residences and businesses in all regions of the State, to be achieved in a manner that is consistent with the State Telecommunications Plan;

(2) universal availability of mobile telecommunication services, including voice and high-speed data along roadways, and near universal availability statewide;

(3) investment in telecommunications infrastructure in the State that creates or completes the network for service providers to create last-mile connection to the home or business and supports the best available and economically feasible service capabilities;

(4) the continuous upgrading of telecommunications and broadband infrastructure in all areas of the State is to reflect the rapid evolution in the capabilities of available mobile telecommunications and broadband technologies, and in the capabilities of mobile telecommunications and broadband services needed by persons, businesses, and institutions in the State; and

(5) the most efficient use of both public and private resources through State policies by encouraging the development of open access telecommunications infrastructure that can be shared by multiple service providers.

(c) Duties. To achieve its purposes, the Division shall:

(1) provide resources to local, regional, public, and private entities in the form of grants, technical assistance, coordination, and other incentives;

(2) prioritize the use of existing buildings and structures, historic or otherwise, as sites for visually-neutral placement of mobile telecommunications and wireless broadband antenna facilities;

(3) inventory and assess the potential to use federal radio frequency licenses held by instrumentalities of the State to enable broadband service in unserved areas of the State; take steps to promote the use of those licensed radio frequencies for that purpose; and recommend to the General Assembly any further legislative measures with respect to ownership, management, and use of these licenses as would promote the general good of the State.

(4) coordinate telecommunications initiatives among Executive Branch agencies, departments, and offices.

(5) from information reasonably available after public notice to and written requests made of mobile telecommunications and broadband service providers, develop and maintain an inventory of locations at which mobile telecommunications and broadband services are not available within the State, develop and maintain an inventory of infrastructure that is available or reasonably likely to be available to support the provision of services to unserved areas, and develop and maintain an inventory of infrastructure necessary for the provision of these services to the unserved areas;

(6) identify the types and locations of infrastructure and services needed to carry out the purposes stated in subsection (b) of this section;

(7) formulate an action plan that conforms with the State Telecommunications Plan and carries out the purposes stated in subsection (b) of this section;

(8) coordinate the agencies of the State to make public resources available to support the extension of mobile telecommunications and broadband infrastructure and services to all unserved areas;

(9) support and facilitate initiatives to extend the availability of mobile telecommunications and broadband services, and promote development of the infrastructure that enables the provision of these services;

(10) through the Department of Innovation and Information, aggregate and broker access at reduced prices to services and facilities required to provide wireless telecommunications and broadband services; and waive or reduce State fees for access to State-owned rights-of-way in exchange for comparable value to the State, unless payment for use is otherwise required by federal law; and

(11) receive all technical and administrative assistance as deemed necessary by the Director for Connectivity.

(d)(1) Deployment. The Director may request voluntary disclosure of information regarding deployment of broadband, telecommunications facilities, or advanced metering infrastructure that is not publicly funded. Such information may include data identifying projected coverage areas, projected average speed of service, service type, and the anticipated date of completion in addition to identifying the location and routes of proposed cables, wires, and telecommunications facilities.

(2) The Director may enter into a nondisclosure agreement with respect to any voluntary disclosures under this subsection and the information disclosed pursuant thereto shall remain confidential. Alternatively, entities that voluntarily provide information requested under this subsection may select a third party to be the recipient of such information. The third party may aggregate information provided by the entities, but shall not disclose the information it has received to any person, including the Director. The third party shall only disclose the aggregated information to the Director. The Director may publicly disclose aggregated information based upon the information provided under this subsection. The confidentiality requirements of this subsection shall not affect whether information provided to any agency of the State or a political subdivision of the State pursuant to other laws is or is not subject to disclosure.

(e) Minimum technical service characteristics. The Division only shall promote the expansion of broadband services that offer actual speeds that meet or exceed the minimum technical service characteristic objectives contained in the State's Telecommunications Plan.

(f) Annual Report. Notwithstanding 2 V.S.A. § 20(d), on or before January 15 of each year, the Director shall submit a report of its activities for the preceding fiscal year to the General Assembly. Each report shall include an operating and financial statement covering the Division's operations during the year, including a summary of all grant awards and contracts and agreements entered into by the Division, as well as the action plan required under subdivision (c)(7) of this section. In addition, the report shall include an accurate map and narrative description of each of the following:

(1) the areas served and the areas not served by wireless communications service, as identified by the Department of Public Service, and cost estimates for providing such service to unserved areas;

(2) the areas served and the areas not served by broadband that has a download speed of at least 0.768 Mbps and an upload speed of at least 0.2 Mbps, as identified by the Department of Public Service, and cost estimates for providing such service to unserved areas;

(3) the areas served and the areas not served by broadband that has a combined download and upload speed of at least 5 Mbps, as identified by the Department of Public Service, and the costs for providing such service to unserved areas; and

(4) the areas served and the areas not served by broadband that has a download speed of at least 100 Mbps and is symmetrical, as identified by the Department of Public Service, and the costs for providing such service to unserved areas.

Sec. 38. REPEAL

3 V.S.A. § 2222b (Secretary of Administration responsible for coordination and planning); 3 V.S.A. § 2222c (Secretary of Administration to prepare deployment report); 30 V.S.A. § 8077 (minimum technical service characteristics); and 30 V.S.A. § 8079 (broadband infrastructure investment) are repealed.

Sec. 39. CREATION OF POSITIONS; TRANSFER OF VACANT POSITIONS; REEMPLOYMENT RIGHTS

(a) The following exempt positions are created within the Division for Connectivity: one full-time Director and up to six additional full-time employees as deemed necessary by the Secretary of Administration.

(b) The positions created under subsection (a) of this section shall only be filled to the extent there are existing vacant positions in the Executive Branch available to be transferred and converted to the new positions in the Division for Connectivity, as determined by the Secretary of Administration and the Commissioner of Human Resources, so that the total number of authorized positions in the State shall not be increased by this act.

(c) All full-time personnel of the Vermont Telecommunications Authority employed by the Authority on the day immediately preceding the effective date of this act, who do not obtain a position in the Division for Connectivity pursuant to subsection (a) of this section, shall be entitled to the same reemployment or recall rights available to nonmanagement State employees under the existing collective bargaining agreement entered into between the

State and the Vermont State Employees' Association.

Sec. 40. TRANSITIONAL PROVISIONS

(a) Personnel. The Secretary of Administration shall determine where the offices of the Division for Connectivity shall be housed.

(b) Assets and liabilities. The assets and liabilities of the Vermont Telecommunications Authority (VTA) shall become the assets and liabilities of the Agency of Administration.

(c) Legal and contractual obligations. The Executive Director of the VTA, in consultation with the Secretary of Administration, shall identify all grants and contracts of the VTA and create a plan to redesignate the Agency of Administration as the responsible entity. The plan shall ensure that all existing grantors, grantees, and contractors are notified of the redesignation.

* * * Conduit Standards; Public Highways * * *

Sec. 41. 3 V.S.A. § 2226 is added to read:

§ 2226. PUBLIC HIGHWAYS; CONDUIT STANDARDS

(a) Intent. The intent of this section is to provide for the construction of infrastructure sufficient to allow telecommunications service providers seeking to deploy communication lines in the future to do so by pulling the lines through the conduit and appurtenances installed pursuant to this section. This section is intended to require those constructing public highways, including State, municipal, and private developers, to provide and install such conduit and appurtenances as may be necessary to accommodate future telecommunications needs within public highways and rights-of-way without further excavation or disturbance.

(b) Rules; standards. On or before January 1, 2015, the Secretary of Administration, in consultation with the Commissioner of Public Service, the Secretary of Transportation, and the Vermont League of Cities and Towns, shall adopt rules requiring the installation of conduit and such vaults and other appurtenances as may be necessary to accommodate installation and connection of telecommunications lines within the conduit during highway construction projects. The rules shall specify construction standards with due consideration given to existing and anticipated technologies and industry standards. The standards shall specify the minimum diameter of the conduit and interducts to meet the requirements of this section. All conduit and appurtenances installed by private parties under this section shall be conveyed and dedicated to the State or the municipality, as the case may be, with the dedication and conveyance of the public highway or right-of-way. Any and all installation costs shall be the responsibility of the party constructing the public

highway.

* * * Extension of 248a; Automatic Party Status * * *

Sec. 42. 30 V.S.A. § 248a is amended to read:

§ 248a. CERTIFICATE OF PUBLIC GOOD FOR COMMUNICATIONS FACILITIES

(a) Certificate. Notwithstanding any other provision of law, if the applicant seeks approval for the construction or installation of telecommunications facilities that are to be interconnected with other telecommunications facilities proposed or already in existence, the applicant may obtain a certificate of public good issued by the Public Service Board under this section, which the Board may grant if it finds that the facilities will promote the general good of the State consistent with ~~subsection 202e(b) of this title~~ the State Telecommunications Plan. A single application may seek approval of one or more telecommunications facilities. An application under this section shall include a copy of each other State and local permit, certificate, or approval that has been issued for the facility under a statute, ordinance, or bylaw pertaining to the environment or land use.

* * *

(i) Sunset of Board authority. Effective July 1, ~~2014~~ 2016, no new applications for certificates of public good under this section may be considered by the Board.

* * *

(m) Municipal bodies; participation. The legislative body and the planning commission for the municipality in which a telecommunications facility is located shall have the right to appear and participate on any application under this section seeking a certificate of public good for the facility.

Sec. 43. 10 V.S.A. § 1264(j) is amended to read:

(j) Notwithstanding any other provision of law, if an application to discharge stormwater runoff pertains to a telecommunications facility as defined in 30 V.S.A. § 248a and is filed before July 1, ~~2014~~ 2016 and the discharge will be to a water that is not principally impaired by stormwater runoff:

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

(2) The Secretary shall issue a decision on the application within 60 days of the date the Secretary determines the application to be complete, if the

application seeks or requires authorization under an individual permit.

Sec. 44. 10 V.S.A. § 8506 is amended to read:

§ 8506. RENEWABLE ENERGY PLANT; TELECOMMUNICATIONS FACILITY; APPEALS

(a) Within 30 days of the date of the act or decision, any person aggrieved by an act or decision of the ~~secretary~~ Secretary, under the provisions of law listed in section 8503 of this title, or any party by right may appeal to the ~~public service board~~ Public Service Board if the act or decision concerns a renewable energy plant for which a certificate of public good is required under 30 V.S.A. § 248 or a telecommunications facility for which the applicant has applied or has served notice under 30 V.S.A. § 248a(e) that it will apply for approval under 30 V.S.A. § 248a. This section shall not apply to a facility that is subject to section 1004 (dams before the Federal Energy Regulatory Commission) or 1006 (certification of hydroelectric projects) or chapter 43 (dams) of this title. This section shall not apply to an appeal of an act or decision of the ~~secretary~~ Secretary regarding a telecommunications facility made on or after July 1, ~~2014~~ 2016.

* * *

Sec. 45. 2011 Acts and Resolves No. 53, Sec. 14d is amended to read:

Sec. 14d. PROSPECTIVE REPEALS; EXEMPTIONS FROM MUNICIPAL BYLAWS AND ORDINANCES

Effective July 1, ~~2014~~ 2016:

(1) 24 V.S.A. § 4413(h) (limitations on municipal bylaws) shall be repealed; and

(2) 24 V.S.A. § 2291(19) (municipal ordinances; wireless telecommunications facilities) is amended to read:

* * *

Sec. 46. 3 V.S.A. § 2809 is amended to read:

§ 2809. REIMBURSEMENT OF AGENCY COSTS

(a)(1) The Secretary may require an applicant for a permit, license, certification, or order issued under a program that the Secretary enforces under 10 V.S.A. § 8003(a) to pay for the cost of research, scientific, programmatic, or engineering expertise provided by the Agency of Natural Resources, provided:

(A) ~~the~~ The Secretary does not have such expertise or services and such expertise is required for the processing of the application for the permit, license, certification, or order; ~~or~~.

(B) ~~the~~ The Secretary does have such expertise but has made a determination that it is beyond the ~~agency's~~ Agency's internal capacity to effectively utilize that expertise to process the application for the permit, license, certification, or order. In addition, the Secretary shall determine that such expertise is required for the processing of the application for the permit, license, certification, or order.

(2) The Secretary may require an applicant under 10 V.S.A. chapter 151 to pay for the time of Agency of Natural Resources personnel providing research, scientific, or engineering services or for the cost of expert witnesses when ~~agency~~ Agency personnel or expert witnesses are required for the processing of the permit application.

(3) In addition to the authority set forth under 10 V.S.A. chapters 59 and 159 and § section 1283, the Secretary may require a person who caused the ~~agency~~ Agency to incur expenditures or a person in violation of a permit, license, certification, or order issued by the Secretary to pay for the time of ~~agency~~ Agency personnel or the cost of other research, scientific, or engineering services incurred by the ~~agency~~ Agency in response to a threat to public health or the environment presented by an emergency or exigent circumstance.

* * *

(g) Concerning an application for a permit to discharge stormwater runoff from a telecommunications facility as defined in 30 V.S.A. § 248a that is filed before July 1, ~~2014~~ 2016:

(1) Under subdivision (a)(1) of this section, the ~~agency~~ Agency shall not require an applicant to pay more than \$10,000.00 with respect to a facility.

(2) The provisions of subsection (c) (mandatory meeting) of this section shall not apply.

* * * Administration Report; E-911; Vermont USF Fiscal Agent; Vermont Communications Board; FirstNet * * *

Sec. 47. ADMINISTRATION REPORT; TRANSFERS AND CONSOLIDATION; VERMONT USF FISCAL AGENT

(a) On January 1, 2015, after receiving input from State and local agencies potentially impacted, the Secretary of Administration shall submit a report to the General Assembly proposing a plan for transferring the responsibilities and powers of the Enhanced 911 Board, including necessary positions, to the

Division for Connectivity, the Department of Public Service, or the Department of Public Safety, as he or she deems appropriate. The plan shall include budgetary recommendations and shall strive to achieve annual operational savings of at least \$300,000.00, as well as enhanced coordination and efficiency, and reductions in operational redundancies. The report shall include draft legislation implementing the Secretary's plan. In addition, the report shall include findings and recommendations on whether it would be cost effective to select an existing State agency to serve as fiscal agent to the Vermont Universal Service Fund.

(b) As part of the report required in subsection (a) of this section, the Secretary shall also make findings and recommendations regarding the status of the Vermont Communications Board, Department of Public Safety, and the Vermont Public Safety Broadband Network Commission (Vermont FirstNet). If not prohibited by federal law, the Secretary shall propose draft legislation creating an advisory board within the Division for Connectivity or the Department of Public Safety comprised of 15 members appointed by the Governor to assume functions of the current Enhanced 911 Board, the Vermont Communications Board, and Vermont FirstNet, as the Secretary deems appropriate. Upon establishment of the new advisory board and not later than July 1, 2015, the E-911 Board and the Vermont Communications Board shall cease to exist.

* * * DPS Deployment Report * * *

Sec. 48. DEPARTMENT OF PUBLIC SERVICE; DEPLOYMENT REPORT

On July 15, 2015, the Commissioner of Public Service shall submit to the General Assembly a report, including maps, indicating the service type and average speed of service of mobile telecommunications and broadband services available within the State by census block as of June 30, 2015.

* * * VTA; Dormant Status * * *

Sec. 49. 30 V.S.A. § 8060a is added to read:

§ 8060a. PERIOD OF DORMANCY

On July 1, 2015, the Division for Connectivity established under 3 V.S.A. § 2225 shall become the successor in interest to and the continuation of the Vermont Telecommunications Authority, and the Authority shall cease all operations and shall not resume its duties as specified under this chapter or under any other Vermont law unless directed to do so by enactment of the General Assembly or, if the General Assembly is not in session, by order of the Joint Fiscal Committee. The Joint Fiscal Committee shall issue such order only upon finding that, due to an unforeseen change in circumstances, implementation of the Authority's capacity to issue revenue bonds would be

the most effective means of furthering the State's telecommunications goals and policies. Upon the effective date of such enactment or order, the duties of the Executive Director and the Board of Directors of the Authority shall resume in accordance with 30 V.S.A. chapter 91 and the Director for Connectivity shall be the acting Executive Director of the Authority, until the position is filled pursuant to 30 V.S.A. § 8061(e).

* * * Telecommunications; CPGs; Annual Renewals;
Retransmission Fees * * *

Sec. 50. 30 V.S.A. § 231 is amended to read:

§ 231. CERTIFICATE OF PUBLIC GOOD; ABANDONMENT OF SERVICE; HEARING

(a) A person, partnership, unincorporated association, or previously incorporated association, which desires to own or operate a business over which the ~~public service board~~ Public Service Board has jurisdiction under the provisions of this chapter shall first petition the ~~board~~ Board to determine whether the operation of such business will promote the general good of the ~~state~~, State and conforms with the State Telecommunications Plan, if applicable, and shall at that time file a copy of any such petition with the ~~department~~ Department. The ~~department~~ Department, within 12 days, shall review the petition and file a recommendation regarding the petition in the same manner as is set forth in subsection 225(b) of this title. Such recommendation shall set forth reasons why the petition shall be accepted without hearing or shall request that a hearing on the petition be scheduled. If the ~~department~~ Department requests a hearing on the petition, or, if the ~~board~~ Board deems a hearing necessary, it shall appoint a time and place in the county where the proposed corporation is to have its principal office for hearing the petition, and shall make an order for the publication of the substance thereof and the time and place of hearing two weeks successively in a newspaper of general circulation in the county to be served by the petitioner, the last publication to be at least seven days before the day appointed for the hearing. The ~~director for public advocacy~~ Director for Public Advocacy shall represent the public at such hearing. If the ~~board~~ Board finds that the operation of such business will promote the general good of the ~~state~~, State and will conform with the State Telecommunications Plan, if applicable, it shall give such person, partnership, unincorporated association or previously incorporated association a certificate of public good specifying the business and territory to be served by such petitioners. For good cause, after opportunity for hearing, the ~~board~~ Board may amend or revoke any certificate awarded under the provisions of this section. If any such certificate is revoked, the person, partnership, unincorporated association, or previously incorporated

association shall no longer have authority to conduct any business which is subject to the jurisdiction of the ~~board~~ Board whether or not regulation thereunder has been reduced or suspended, under section 226a or 227a of this title.

(b) A company subject to the general supervision of the ~~public service board~~ Public Service Board under section 203 of this title may not abandon or curtail any service subject to the jurisdiction of the ~~board~~ Board or abandon all or any part of its facilities if it would in doing so effect the abandonment, curtailment or impairment of the service, without first obtaining approval of the ~~public service board~~ Board, after notice and opportunity for hearing, and upon finding by the ~~board~~ Board that the abandonment or curtailment is consistent with the public interest and the State Telecommunications Plan, if applicable; provided, however, this section shall not apply to disconnection of service pursuant to valid tariffs or to rules adopted under ~~section~~ subsections 209(b) and (c) of this title.

Sec. 51. 30 V.S.A. § 504 is amended to read:

§ 504. CERTIFICATES OF PUBLIC GOOD

(a) Certificates of public good granted under this chapter shall be for a period of 11 years.

(b) Issuance of a certificate shall be after opportunity for hearing and findings by the ~~board~~ Board that the applicant has complied or will comply with requirements adopted by the ~~board~~ Board to ensure that the system provides:

(1) designation of adequate channel capacity and appropriate facilities for public, educational, or governmental use;

(2) adequate and technically sound facilities and equipment, and signal quality;

(3) a reasonably broad range of public, educational, and governmental programming;

(4) the prohibition of discrimination among customers of basic service; ~~and~~

(5) basic service in a competitive market, and if a competitive market does not exist, that the system provides basic service at reasonable rates determined in accordance with section 218 of this title; and

(6) service that conforms with the relevant provisions of the State Telecommunications Plan.

(c) In addition to the requirements set forth in subsection (b) of this section, the ~~board~~ Board shall ~~insure~~ ensure that the system provides or utilizes:

(1) a reasonable quality of service for basic, premium or otherwise, having regard to available technology, subscriber interest, and cost;

(2) construction, including installation, which conforms to all applicable ~~state~~ State and federal laws and regulations and the National Electric Safety Code;

(3) a competent staff sufficient to provide adequate and prompt service and to respond quickly and comprehensively to customer and ~~department~~ Department complaints and problems;

(4) unless waived by the ~~board~~ Board, an office which shall be open during usual business hours, have a listed toll-free telephone so that complaints and requests for repairs or adjustments may be received; and

(5) reasonable rules and policies for line extensions, disconnections, customer deposits, and billing practices.

(d) A certificate granted to a company shall represent nonexclusive authority of that company to build and operate a cable television system to serve customers only within specified geographical boundaries. Extension of service beyond those boundaries may be made pursuant to the criteria in ~~section 504 of this title~~ this section, and the procedures in section 231 of this title.

(e) Subdivision (b)(6) of this section (regarding conformity with the State Telecommunications Plan) shall apply only to certificates that expire or new applications that are filed after the year 2014.

Sec. 52. 30 V.S.A. § 518 is added to read:

§ 518. DISCLOSURE OF RETRANSMISSION FEES

A retransmission agreement entered into between a commercial broadcasting station and a cable company pursuant to 47 U.S.C. § 325 shall not include terms prohibiting the company from disclosing to its subscribers any fees incurred for program content retransmitted on the cable network under the retransmission agreement.

* * * Statutory Revision Authority * * *

Sec. 53. LEGISLATIVE COUNCIL STATUTORY REVISION AUTHORITY; LEGISLATIVE INTENT

(a) The staff of the Office of the Legislative Council in its statutory revision capacity is authorized and directed to amend the Vermont Statutes Annotated as follows:

(1) deleting all references to “by the end of the year 2013” in 30 V.S.A. chapter 91; and

(2) during the interim of the 2015 biennium of the General Assembly, in 30 V.S.A. § 227e, replacing every instance of the words “Secretary of Administration” and “Secretary” with the words “Director for Connectivity” and “Director,” respectively.

(b) Any duties and responsibilities that arise by reference to the Division for Connectivity in the Vermont Statutes Annotated shall not be operative until the Division is established pursuant to 3 V.S.A. § 2225.

* * * Effective Dates * * *

Sec. 54. EFFECTIVE DATES

This act shall take effect on July 1, 2014, except that 16 V.S.A. § 2888(d) in Sec. 22 and Secs. 37, 38, and 39 (regarding the Division for Connectivity) shall take effect on July 1, 2015.

Pending the question, Shall the House concur in the Senate proposal to the House proposal of amendment? **Rep. Botzow of Pownal**, moved to concur with the Senate proposal to the House proposal of amendment as follows:

By striking all after the enacting clause and inserting in lieu thereof the following:

* * * One-Stop Business Support Services * * *

Sec. 1. ONE-STOP SHOP WEB PORTAL

(a) Purpose. The State of Vermont seeks to simplify and expedite the process for business creation and growth by providing:

(1) a clear guide to resources and technical assistance for all phases of business development;

(2) a directory of financial assistance, including grants, funding capital, tax credits, and incentives;

(3) a directory of workforce development assistance, including recruiting, job postings, and training;

(4) a link to centralized business services available from the Secretary of State, the Department of Labor, the Department of Taxes, and others; and

(5) agency contacts and links for available services and resources.

(b) Administration. On or before June 30, 2015, the Secretary of State, Department of Taxes, Department of Labor, the Vermont Attorney General, the Agency of Commerce and Community Development, and the Agency of

Administration shall coordinate with other relevant agencies and departments within State government and outside partners, including regional development corporations, regional planning commissions, and small business development centers, to provide comprehensive business services, regional coaching teams, print materials, other outreach, and a “One-Stop Shop” website, consistent with the following timeline:

(1) Phase 1. Complete necessary partner outreach and collaboration and an inventory of existing websites, determine the appropriate content to be included on the One-Stop website, and update current websites to include links to State agencies and departments with regulatory oversight and authority over Vermont businesses.

(2) Phase 2. Edit and organize the content to be included on the One-Stop website.

(3) Phase 3. Complete the design and mapping of the One-Stop website.

(4) Phase 4. Complete a communications and outreach plan with a final funding proposal for the project.

* * * Vermont Enterprise Fund * * *

Sec. 2. VERMONT ENTERPRISE FUND

(a) There is created a Vermont Enterprise Fund, the sums of which may be used by the Governor, with the approval of the Emergency Board, for the purpose of making economic and financial resources available to businesses facing circumstances that necessitate State government support and response more rapidly than would otherwise be available from, or that would be in addition to, other economic incentives.

(b)(1) The Fund shall be administered by the Commissioner of Finance and Management as a special fund under the provisions of chapter 7, subchapter 5 of this title.

(2) The Fund shall contain any amounts transferred or appropriated to it by the General Assembly.

(3) Interest earned on the Fund and any balance remaining at the end of the fiscal year shall remain in the Fund.

(4) The Commissioner shall maintain records that indicate the amount of money in the Fund at any given time.

I The Governor is authorized to use amounts available in the Fund to offer economic and financial resources to an eligible business pursuant to this section, subject to approval by the Emergency Board as provided in subsection I of this section.

(d) To be eligible for an investment through the Fund, the Governor shall determine that a business:

(1) adequately demonstrates:

(A) a substantial statewide or regional economic or employment impact; or

(B) approval or eligibility for other economic development incentives and programs offered by the State of Vermont; and

(2) is experiencing one or more of the following circumstances:

(A) a merger or acquisition may cause the closing of all or a portion of a Vermont business, or closure or relocation outside Vermont will cause the loss of employment in Vermont;

(B) a prospective purchaser is considering the acquisition of an existing business in Vermont;

(C) an existing employer in Vermont, which is a division or subsidiary of a multistate or multinational company, may be closed or have its employment significantly reduced; or

(D) is considering Vermont for relocation or expansion.

(e)(1) Any economic and financial resources offered by the Governor under this section must be approved by the Emergency Board before an eligible business may receive assistance from the Fund.

(2) The Board shall invite the Chair of the Senate Committee on Economic Development, Housing and General Affairs and the Chair of the House Committee on Commerce and Economic Development to participate in Board deliberations under this section in an advisory capacity.

(3) The Governor or designee, shall present to the Emergency Board for its approval:

(A) information on the company;

(B) the circumstances supporting the offer of economic and financial resources;

(C) a summary of the economic activity proposed or that would be forgone;

(D) other State incentives and programs offered or involved;

(E) the economic and financial resources offered by the Governor requiring use of monies from the Fund;

(F) employment, investment, and economic impact of Fund support on the employer, including a fiscal cost-benefit analysis; and

(G) terms and conditions of the economic and financial resources offered, including:

(i) the total dollar amount and form of the economic and financial resources offered;

(ii) employment creation, employment retention, and capital investment performance requirements; and

(iii) disallowance and recapture provisions.

(4) The Emergency Board shall have the authority to approve, disapprove, or modify an offer of economic and financial resources in its discretion, including consideration of the following:

(A) whether the business has presented sufficient documentation to demonstrate compliance with subsection (d) of this section;

(B) whether the Governor has presented sufficient information to the Board under subdivision (3) of this subsection (e);

(C) whether the business has received other State resources and incentives, and if so, the type and amount; and

(D) whether the business and the Governor have made available to the Board sufficient information and documentation for the Auditor of Accounts to perform an adequate performance audit of the program, including the extent to which necessary information or documentation is or will be withheld under a claim that it is confidential, proprietary, or subject to executive privilege.

(f)(1) Proprietary business information and materials or other confidential financial information submitted by a business to the State, or submitted by the Governor to the Emergency Board, for the purpose of negotiating or approving economic and financial resources under this section shall not be subject to public disclosure under the State's public records law in 1 V.S.A. chapter 5, but shall be available to the Joint Fiscal Office or its agent upon authorization of the Chair of the Joint Fiscal Committee, and shall also be available to the Auditor of Accounts in connection with the performance of duties under 32 V.S.A. § 163 of this title; provided, however, that the Joint Fiscal Office or its agent and the Auditor of Accounts shall not disclose, directly or indirectly, to any person any proprietary business or other confidential information or any information which would identify a business except in accordance with a judicial order or as otherwise specifically provided by law.

(2) Nothing in this subsection shall be construed to prohibit the publication of statistical information, rulings, determinations, reports, opinions, policies, or other information so long as the data are disclosed in a form that cannot identify or be associated with a particular business.

(g) On or before January 15 of each year following a year in which economic and financial resources were made available pursuant to this section, the Secretary of Commerce and Community Development shall submit to the House Committees on Commerce and Economic Development and on Ways and Means and to the Senate Committees on Finance and on Economic Development, Housing and General Affairs a report on the resources made available pursuant to this section, including:

(1) the name of the recipient;

(2) the amount and type of the resources;

(3) the aggregate number of jobs created or retained as a result of the resources;

(4) a statement of costs and benefits to the State; and

(5) whether any offer of resources was disallowed or recaptured.

(h) This section shall sunset on June 30, 2016 and any remaining balance in the Fund shall be transferred to the General Fund.

Sec. 3. CONTINGENT FISCAL YEAR 2014 APPROPRIATION

After satisfying the requirements of 32 V.S.A. § 308, and after other reserve requirements have been met and prior to any funds reserved pursuant to 32 V.S.A. § 308c, any remaining unreserved and undesignated end of fiscal year General Fund surplus up to \$5,000,000.00 shall be appropriated to the extent available, in the following order:

(1) \$500,000.00 to the Vermont Economic Development Authority for loan loss reserves within the Vermont Entrepreneurial Lending Program for the purposes specified in 10 V.S.A. § 280bb;

(2) \$4,500,000.00 to the Vermont Enterprise Fund for the purposes specified in Sec. E.100.5 of this act.

* * * Vermont Economic Development Authority * * *

Sec. 4. 10 V.S.A. chapter 12 is amended to read:

CHAPTER 12. VERMONT ECONOMIC DEVELOPMENT

AUTHORITY

* * *

Subchapter 12. ~~Technology Loan~~ Vermont Entrepreneurial Lending
Program

§ 280aa. FINDINGS AND PURPOSE

(a)(1) ~~Technology-based companies~~ Vermont-based businesses in seed, start-up, and growth-stages are a vital source of innovation, employment, and economic growth in Vermont. The continued development and success of ~~this increasingly important sector of Vermont's economy~~ these businesses is dependent upon the availability of flexible, risk-based capital.

(2) Because the primary assets of ~~technology based companies~~ sometimes Vermont-based businesses in seed, start-up, and growth stages often consist almost entirely of intellectual property or insufficient tangible assets to support conventional lending, ~~such~~ these companies frequently ~~do~~ may not have access to conventional means of raising capital, such as asset-based bank financing.

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

§ 280bb. ~~TECHNOLOGY LOAN~~ VERMONT ENTREPRENEURIAL
LENDING PROGRAM

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

(1) loans up to \$100,000.00 to manufacturing businesses and software developers with innovative products that typically reflect long-term, organic growth;

(2) loans up to \$1,000,000.00 in growth-stage companies who do not meet the underwriting criteria of other public and private entrepreneurial financing sources; and

(3) loans to businesses that are unable to access adequate capital resources because the primary assets of these businesses are typically intellectual property or similar nontangible assets.

(b) The economic development authority Authority shall establish such adopt regulations, policies, and procedures for the program Program as are necessary to carry out the purposes of this subchapter. The authority's lending criteria shall include consideration of in state competition and whether a company has made reasonable efforts to secure capital in the private sector increase the amount of investment funds available to Vermont businesses whose capital requirements are not being met by conventional lending sources.

(c) When considering entrepreneurial lending through the Program, the Authority shall give additional consideration and weight to an application of a business whose business model and practices will have a demonstrable effect in achieving other public policy goals of the State, including:

(1) The business will create jobs in strategic sectors such as the knowledge-based economy, renewable energy, advanced manufacturing, wood products manufacturing, and value-added agricultural processing.

(2) The business is located in a designated downtown, village center, growth center, industrial park, or other significant geographic location recognized by the State.

(3) The business adopts energy and thermal efficiency practices in its operations or otherwise operates in a way that reflects a commitment to green energy principles.

(4) The business will create jobs that pay a livable wage and significant benefits to Vermont employees.

(d) The Authority shall include provisions in the terms of an loan made under the Program to ensure that a loan recipient shall maintain operations within the State for a minimum of five years from the date on which the recipient receives the loan funds from the Authority or shall otherwise be required to repay the outstanding funds in full.

* * *

Sec. 5. VERMONT ENTREPRENEURIAL LENDING PROGRAM; LOAN LOSS RESERVE FUNDS; CAPITALIZATION

(a) The Vermont Economic Development Authority shall capitalize loan loss reserves for the Vermont Entrepreneurial Lending Program created in 10 V.S.A. § 280bb with the following funding from the following sources:

(1) up to \$1,000,000.00 from Authority funds or eligible federal funds currently administered by the Authority; and

(2) Fiscal Year 2014 funds appropriated to the Program pursuant to Sec. 1b of this act.

(b) The Authority shall use the funds in subsection (a) of this section solely for the purpose of establishing and maintaining loan loss reserves to guarantee loans made pursuant to 10 V.S.A. § 280bb.

Sec. 6. 10 V.S.A. chapter 16A is amended to read:

CHAPTER 16A. VERMONT AGRICULTURAL CREDIT PROGRAM

§ 374a. CREATION OF THE VERMONT AGRICULTURAL CREDIT PROGRAM

* * *

(b) No borrower shall be approved for a loan from the corporation that would result in the aggregate principal balances outstanding of all loans to that borrower exceeding the then-current maximum Farm Service Agency loan guarantee limits, or \$2,000,000.00, whichever is greater.

§ 374b. DEFINITIONS

As used in this chapter:

(1) “Agricultural facility” means land and rights in land, buildings, structures, machinery, and equipment which is used for, or will be used for producing, processing, preparing, packaging, storing, distributing, marketing, or transporting agricultural products which have been primarily produced in this ~~state~~ State, and working capital reasonably required to operate an agricultural facility.

(2) “Agricultural land” means real estate capable of supporting commercial farming or forestry, or both.

(3) “Agricultural products” mean crops, livestock, forest products, and other farm or forest commodities produced as a result of farming or forestry activities.

(4) “Farm ownership loan” means a loan to acquire or enlarge a farm or agricultural facility, to make capital improvements including construction, purchase, and improvement of farm and agricultural facility buildings that can be made fixtures to the real estate, to promote soil and water conservation and protection, and to refinance indebtedness incurred for farm ownership or operating loan purposes, or both.

(5) “Authority” means the Vermont ~~economic development authority~~ Economic Development Authority.

(6) “Cash flow” means, on an annual basis, all income, receipts, and revenues of the applicant or borrower from all sources and all expenses of the applicant or borrower, including all debt service and other expenses.

(7) “Farmer” means an individual directly engaged in the management or operation of an agricultural facility or farm operation for whom the agricultural facility or farm operation constitutes two or more of the following:

(A) is or is expected to become a significant source of the farmer’s income;

(B) the majority of the farmer’s assets; and

(C) an occupation in which the farmer is actively engaged ~~in~~, either on a seasonal or year-round basis.

(8) “Farm operation” shall mean the cultivation of land or other uses of land for the production of food, fiber, horticultural, silvicultural, orchard, maple syrup, Christmas trees, forest products, or forest crops; the raising, boarding, and training of equines, and the raising of livestock; or any combination of the foregoing activities. Farm operation also includes the storage, preparation, retail sale, and transportation of agricultural or forest commodities accessory to the cultivation or use of such land.

* * *

* * * Connecting Capital Providers and Entrepreneurs * * *

Sec. 7. NETWORKING INITIATIVES

(a) The Agency of Commerce and Community Development shall support networking events offered by one or more regional economic development providers designed to connect capital providers with one another or with Vermont entrepreneurs, or both, and shall take steps to facilitate outreach and matchmaking opportunities between investors and entrepreneurs.

(b) The Agency shall submit to the House Committee on Commerce and Economic Development and to the Senate Committee on Economic Development, Housing and General Affairs:

(1) a status report on or before January 15, 2015 concerning the structure of networking initiatives, the relevant provisions of governing performance contracts, and the benchmarks and measures of performance; and

(2) a report on or before December 15, 2015 concerning the outcomes of and further recommendations for the program.

Sec. 8. 32 V.S.A. § 5930aa(3) is amended to read:

(3) “Qualified code or technology improvement project” means a project:

(A)(i) ~~To~~ to install or improve platform lifts suitable for transporting personal mobility devices, elevators, sprinkler systems, and capital

improvements in a qualified building, and the installations or improvements are required to bring the building into compliance with the statutory requirements and rules regarding fire prevention, life safety, and electrical, plumbing, and accessibility codes as determined by the ~~department of public safety~~. Department of Public Safety; or

(ii) to install or improve data or network wiring, or heating, ventilating, or cooling systems reasonably related to data or network installations or improvements, in a qualified building, provided that a professional engineer licensed under 26 V.S.A. chapter 20 certifies as to the fact and cost of the installation or improvement;

(B) ~~To~~ to abate lead paint conditions or other substances hazardous to human health or safety in a qualified building-; or

(C) ~~To~~ to redevelop a contaminated property in a designated downtown or village center under a plan approved by the Secretary of Natural Resources pursuant to 10 V.S.A. § 6615a.

Sec. 9. 32 V.S.A. § 5930aa(7) is amended to read:

(7) “Qualified project” means a qualified code or technology improvement, qualified façade improvement, qualified technology infrastructure project, or qualified historic rehabilitation project as defined by this subchapter.

Sec. 10. 32 V.S.A. § 5930bb is amended to read:

§ 5930bb. ELIGIBILITY AND ADMINISTRATION

(a) Qualified applicants may apply to the State Board to obtain the tax credits provided by this subchapter for ~~qualified code improvement, façade improvement, or historic rehabilitation projects~~ a qualified project at any time before one year after completion of the qualified project.

* * *

Sec. 11. 32 V.S.A. § 5930cc(c) is amended to read:

(c) Code or technology improvement tax credit. The qualified applicant of a qualified code or technology improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer’s State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of \$12,000.00 for installation or improvement of a platform lift, a maximum tax credit of \$50,000.00 for installation or improvement of an elevator, a maximum tax credit of \$50,000.00 for installation or improvement of a sprinkler system, a maximum tax credit of

\$30,000.00 for the combined costs of installation or improvement of data or network wiring or a heating, ventilating, or cooling system, and a maximum tax credit of \$25,000.00 for the combined costs of all other qualified code improvements.

Sec. 12. 30 V.S.A. § 218e is added to read:

§ 218e. IMPLEMENTING STATE ENERGY POLICY;
MANUFACTURING

To give effect to the policies of section 202a of this title to provide reliable and affordable energy and assure the State's economic vitality, it is critical to retain and recruit manufacturing and other businesses and to consider the impact on manufacturing and other businesses when issuing orders, adopting rules, and making other decisions affecting the cost and reliability of electricity and other fuels. Implementation of the State's energy policy should:

(1) encourage recruitment and retention of employers providing high-quality jobs and related economic investment and support the State's economic welfare; and

(2) appropriately balance the objectives of this section with the other policy goals and criteria established in this title.

Sec. 13. INVESTIGATION; ELECTRICITY COSTS; MANUFACTURING

(a) The Commissioner of Public Service and the Secretary of Commerce and Community Development, in consultation with the Public Service Board, a private organization that represents the interests of manufacturers, a cooperative electric company, an efficiency utility, a shareholder-owned utility, the Vermont Public Power Supply Authority (VPPSA), a municipal utility that is not a member of VPPSA, and the Vermont Electric Power Company (VELCO), shall conduct an investigation of how best to advance the public good through consideration of the competitiveness of Vermont's industrial or manufacturing businesses with regard to electricity costs.

(b) In conducting the investigation required by this section, the Commissioner and Secretary shall consider:

(1) how best to incorporate into rate design proceedings the impact of electricity costs on business competitiveness and the identification of the costs of service incurred by businesses;

(2) with regard to the energy efficiency programs established under section 209 of this title, potential changes to their delivery, funding, financing, and participation requirements;

(3) the history and outcome of any evaluations of the Energy Savings Account or Customer Credit programs, as well as best practices for customer self-directed energy efficiency programs;

(4) the history and outcome of any evaluations of retail choice programs or policies, as related to business competitiveness, that have been undertaken in Vermont and in other jurisdictions;

(5) any other programs or policies the Commissioner and the Secretary deem relevant;

(6) whether and to what extent any programs or policies considered by the Commissioner and the Secretary under this section would impose cost shifts onto other customers, result in stranded costs (costs that cannot be recovered by a regulated utility due to a change in regulatory structure or policy), or conflict with renewable energy requirements in Vermont and, if so, whether such programs or policies would nonetheless promote the public good;

(7) whether and to what extent costs have shifted to residential and business ratepayers following the loss of large utility users, and potential scenarios for additional cost shifts of this type; and

(8) the potential benefits and potential cost shift to residential and business ratepayers if a large utility user undertakes efficiency measures and thereby reduces its share of fixed utility costs.

(c) In conducting the investigation required by this section, the Commissioner and Secretary shall provide the following persons and entities an opportunity for written and oral comments:

(1) consumer and business advocacy groups;

(2) regional development corporations and regional planning commissions; and

(3) any other person or entity as determined by the Commissioner and Secretary.

(d) On or before December 15, 2014, the Commissioner and Secretary shall provide a status report to the General Assembly of its findings and recommendations regarding regulatory or statutory changes that would reduce energy costs for Vermont businesses and promote the public good. On or before December 15, 2015, the Commissioner and Secretary shall provide a final report to the General Assembly of such findings and recommendations.

* * * Domestic Export Program * * *

Sec. 14. DOMESTIC MARKET ACCESS PROGRAM FOR VERMONT
AGRICULTURE AND FOREST PRODUCTS

(a) The Secretary of Agriculture, Food and Markets, in collaboration with the Agency of Commerce and Community Development and the Chief Marketing Officer, shall create a Domestic Export Program Pilot Project within the "Made in Vermont" designation program, the purpose of which shall be to:

(1) connect Vermont producers with brokers, buyers, and distributors in other U.S. state and regional markets,

(2) provide technical and marketing assistance to Vermont producers to convert these connections into increased sales and sustainable commercial relationships; and

(3) provide one-time matching grants of up to \$2,000.00 per business to attend trade shows and similar events to expand producers' market presence in other U.S. states, subject to available funding.

(b) The Secretary shall collect data on the activities and outcomes of the pilot project authorized under this section and shall report his or her findings and recommendations for further action on or before January 15, 2015, to the House Committees on Agriculture and Forest Products and on Commerce and Economic Development and to the Senate Committees on Agriculture and on Economic Development, Housing and General Affairs.

* * * Criminal Penalties for Computer Crimes * * *

Sec. 15. 13 V.S.A. chapter 87 is amended to read:

CHAPTER 87. COMPUTER CRIMES

* * *

§ 4104. ALTERATION, DAMAGE, OR INTERFERENCE

(a) A person shall not intentionally and without lawful authority, alter, damage, or interfere with the operation of any computer, computer system, computer network, computer software, computer program, or data contained in such computer, computer system, computer program, or computer network.

(b) Penalties. A person convicted of violating this section shall be:

(1) if the damage or loss does not exceed \$500.00 for a first offense, imprisoned not more than one year or fined not more than ~~\$500.00~~ \$5,000.00, or both;

(2) if the damage or loss does not exceed \$500.00 for a second or subsequent offense, imprisoned not more than two years or fined not more than ~~\$1,000.00~~ \$10,000.00, or both; or

(3) if the damage or loss exceeds \$500.00, imprisoned not more than 10 years or fined not more than ~~\$10,000.00~~ \$25,000.00, or both.

§ 4105. THEFT OR DESTRUCTION

(a)(1) A person shall not intentionally and without claim of right deprive the owner of possession, take, transfer, copy, conceal, or retain possession of, or intentionally and without lawful authority, destroy any computer system, computer network, computer software, computer program, or data contained in such computer, computer system, computer program, or computer network.

(2) Copying a commercially available computer program or computer software is not a crime under this section, provided that the computer program and computer software has a retail value of \$500.00 or less and is not copied for resale.

(b) Penalties. A person convicted of violating this section shall be:

(1) if the damage or loss does not exceed \$500.00 for a first offense, imprisoned not more than one year or fined not more than ~~\$500.00~~ \$5,000.00, or both;

(2) if the damage or loss does not exceed \$500.00 for a second or subsequent offense, imprisoned not more than two years or fined not more than ~~\$1,000.00~~ \$10,000.00, or both; or

(3) if the damage or loss exceeds \$500.00, imprisoned not more than 10 years or fined not more than ~~\$10,000.00~~ \$25,000.00, or both.

§ 4106. CIVIL LIABILITY

A person damaged as a result of a violation of this chapter may bring a civil action against the violator for damages, costs, and fees, including reasonable attorney's fees, and such other relief as the court deems appropriate.

* * *

* * * Statute of Limitations to Commence Action for Misappropriation of
Trade Secrets * * *

Sec. 16. 12 V.S.A. § 523 is amended to read:

§ 523. TRADE SECRETS

An action for misappropriation of trade secrets under 9 V.S.A. chapter 143 ~~of Title 9~~ shall be commenced within three years after the cause of action accrues, and not after. The cause of action shall be deemed to accrue as of the

date the misappropriation was discovered or reasonably should have been discovered.

* * * Protection of Trade Secrets * * *

Sec. 17. 9 V.S.A. chapter 143 is amended to read:

CHAPTER 143. TRADE SECRETS

§ 4601. DEFINITIONS

As used in this chapter:

(1) “Improper means” includes theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy, or espionage through electronic or other means.

(2) “Misappropriation” means:

(A) acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means; or

(B) disclosure or use of a trade secret of another without express or implied consent by a person who:

(i) used improper means to acquire knowledge of the trade secret; or

(ii) at the time of disclosure or use, knew or had reason to know that his or her knowledge of the trade secret was:

(I) derived from or through a person who had utilized improper means to acquire it;

(II) acquired under circumstances giving rise to a duty to maintain its secrecy or limit its use; or

(III) derived from or through a person who owed a duty to the person seeking relief to maintain its secrecy or limit its use; or

(iii) before a material change of his or her position, knew or had reason to know that it was a trade secret and that knowledge of it had been acquired by accident or mistake.

(3) “Trade secret” means information, including a formula, pattern, compilation, program, device, method, technique, or process, that:

(A) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and

(B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

§ 4602. INJUNCTIVE RELIEF

(a) ~~Actual~~ A court may enjoin actual or threatened misappropriation ~~may be enjoined of a trade secret.~~ Upon application to the court, an injunction shall be terminated when the trade secret has ceased to exist, but the injunction may be continued for an additional reasonable period of time in order to eliminate commercial advantage that otherwise would be derived from the misappropriation.

(b) In exceptional circumstances, an injunction may condition future use upon payment of a reasonable royalty for no longer than the period of time for which use could have been prohibited. Exceptional circumstances include, ~~but are not limited to,~~ a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation that renders a prohibitive injunction inequitable.

(c) In appropriate circumstances, affirmative acts to protect a trade secret may be compelled by court order.

§ 4603. DAMAGES

(a)(1) Except to the extent that a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation renders a monetary recovery inequitable, a complainant is entitled to recover damages for misappropriation.

(2) Damages can include both the actual loss caused by misappropriation and the unjust enrichment caused by misappropriation that is not taken into account in computing actual loss.

(3) In lieu of damages measured by any other methods, the damages caused by misappropriation may be measured by imposition of liability for a reasonable royalty for a misappropriator's unauthorized disclosure or use of a trade secret.

(4) A court shall award a substantially prevailing party his or her costs and fees, including reasonable attorney's fees, in an action brought pursuant to this chapter.

(b) If malicious misappropriation exists, the court may award punitive damages.

§ 4605. PRESERVATION OF SECRECY

In an action under this chapter, a court shall preserve the secrecy of an alleged trade secret by reasonable means, which may include granting

protective orders in connection with discovery proceedings, holding in-camera hearings, sealing the records of the action, and ordering any person involved in the litigation not to disclose an alleged trade secret without prior court approval.

§ 4607. EFFECT ON OTHER LAW

(a) Except as provided in subsection (b) of this section, this chapter displaces conflicting tort, restitutionary, and any other law of this ~~state~~ State providing civil remedies for misappropriation of a trade secret.

(b) This chapter does not affect:

(1) contractual remedies, whether or not based upon misappropriation of a trade secret;

(2) other civil remedies that are not based upon misappropriation of a trade secret; or

(3) criminal remedies, whether or not based upon misappropriation of a trade secret.

* * *

* * * Intellectual Property; Businesses and Government Contracting * * *

Sec. 18. 3 V.S.A. § 346 is added to read:

§ 346. STATE CONTRACTING; INTELLECTUAL PROPERTY, SOFTWARE DESIGN, AND INFORMATION TECHNOLOGY

(a) The Secretary II Administration shall include in Administrative Bulletin 3.5 a policy direction applicable to State procurement contracts that include services for the development of software applications, computer coding, or other intellectual property, which would allow the State of Vermont to grant permission to the contractor to use or own the intellectual property created under the contract for the contractor's commercial purposes.

(b) The Secretary may recommend contract provisions that authorize the State to negotiate with a contractor to secure license terms and license fees, royalty rights, or other payment mechanism for the contractor's commercial use of intellectual property developed under a State contract.

(c) If the Secretary authorizes a contractor to own intellectual property developed under a State contract, the Secretary may recommend language to ensure the State retains a perpetual, irrevocable, royalty-free, and fully paid right to continue to use the intellectual property.

* * * Department of Financial Regulation * * *

Sec. 19. SMALL BUSINESS ACCESS TO CAPITAL

(a) Crowdfunding study. The Department of Financial Regulation shall study the opportunities and limitations for crowdfunding to increase access to capital for Vermont's small businesses. On or before January 15, 2015, the Department shall report its findings and recommendations to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.

(b) Small business issuer education and outreach. On or before January 15, 2015, the Department of Financial Regulation shall conduct at least two educational events to inform the legal, small business, and investor communities and other interested parties, of opportunities for small businesses to access capital in Vermont, including, the Vermont Small Business Offering Exemption regulation and other securities registration exemptions.

(c) Vermont Small Business Offering Exemption. The Commissioner of Financial Regulation shall exercise his or her rulemaking authority under 9 V.S.A. chapter 150 to review and revise the Vermont Small Business Offering Exemption and any other state securities exemptions, specifically including those designed to complement exemptions from federal registration requirements available under Regulation D, in order to recognize and reflect the evolution of capital markets and to ensure that Vermont remains current and competitive in its securities regulations, particularly with respect to access to capital for small businesses.

Sec. 20. STUDY; DEPARTMENT OF FINANCIAL REGULATION;
 LICENSED LENDER REQUIREMENTS; COMMERCIAL
 LENDERS

On or before January 15, 2015, the Department of Financial Regulation shall solicit public comment on, evaluate, and report to the House Committee on Commerce and Economic Development and to the Senate Committees on Finance and on Economic Development, Housing and General Affairs any statutory and regulatory changes to the State's licensed lender requirements that are necessary to open private capital markets and remove unnecessary barriers to business investment in Vermont.

* * * Licensed Lender Requirements; Exemption for De Minimis
 Lending Activity * * *

Sec. 21. 8 V.S.A. § 2201 is amended to read:

2201. LICENSES REQUIRED

(a) No person shall without first obtaining a license under this chapter from the ~~commissioner~~ Commissioner:

(1) engage in the business of making loans of money, credit, goods, or things in action and charge, contract for, or receive on any such loan interest, a finance charge, discount, or consideration ~~therefore~~ therefor;

(2) act as a mortgage broker;

(3) engage in the business of a mortgage loan originator; or

(4) act as a sales finance company.

(b) Each licensed mortgage loan originator must register with and maintain a valid unique identifier with the Nationwide Mortgage Licensing System and Registry and must be either:

(1) an employee actively employed at a licensed location of, and supervised and sponsored by, only one licensed lender or licensed mortgage broker operating in this ~~state~~ State;

(2) an individual sole proprietor who is also a licensed lender or licensed mortgage broker; or

(3) an employee engaged in loan modifications employed at a licensed location of, and supervised and sponsored by, only one third-party loan servicer licensed to operate in this ~~state~~ State pursuant to chapter 85 of this title. ~~For purposes of~~ As used in this subsection, “loan modification” means an adjustment or compromise of an existing residential mortgage loan. The term “loan modification” does not include a refinancing transaction.

(c) A person licensed pursuant to subdivision (a)(1) of this section may engage in mortgage brokerage and sales finance if such person informs the ~~commissioner~~ Commissioner in advance that he or she intends to engage in sales finance and mortgage brokerage. Such person shall inform the ~~commissioner~~ Commissioner of his or her intention on the original license application under section 2202 of this title, any renewal application under section 2209 of this title, or pursuant to section 2208 of this title, and shall pay the applicable fees required by subsection 2202(b) of this title for a mortgage broker license or sales finance company license.

(d) No lender license, mortgage broker license, or sales finance company license shall be required of:

(1) ~~a state~~ State agency, political subdivision, or other public instrumentality of the ~~state~~; State.

(2) ~~a~~ A federal agency or other public instrumentality of the United States;

(3) ~~a~~ A gas or electric utility subject to the jurisdiction of the ~~public service board~~ Public Service Board engaging in energy conservation or safety loans;

(4) ~~a~~ A depository institution or a financial institution as defined in 8 V.S.A. § 11101(32);

(5) ~~a~~ A pawnbroker;

(6) ~~an~~ An insurance company;

(7) ~~a~~ A seller of goods or services that finances the sale of such goods or services, other than a residential mortgage loan;

(8) ~~any~~ Any individual who offers or negotiates the terms of a residential mortgage loan secured by a dwelling that served as the individual's residence, including a vacation home, or inherited property that served as the deceased's dwelling, provided that the individual does not act as a mortgage loan originator or provide financing for such sales so frequently and under such circumstances that it constitutes a habitual activity and acting in a commercial context;

(9) ~~lenders~~ Lenders that conduct their lending activities, other than residential mortgage loan activities, through revolving loan funds, that are nonprofit organizations exempt from taxation under Section 501(c) of the Internal Revenue Code, 26 U.S.C. § 501(c), and that register with the ~~commissioner of economic development~~ Commissioner of Economic Development under 10 V.S.A. § 690a;

(10) ~~persons~~ Persons who lend, other than residential mortgage loans, an aggregate of less than \$75,000.00 in any one year at rates of interest of no more than 12 percent per annum;

(11) ~~a~~ A seller who, pursuant to 9 V.S.A. § 2355(f)(1)(D), includes the amount paid or to be paid by the seller to discharge a security interest, lien interest, or lease interest on the traded-in motor vehicle in a motor vehicle retail installment sales contract, provided that the contract is purchased, assigned, or otherwise acquired by a sales finance company licensed pursuant to this title to purchase motor vehicle retail installment sales contracts or a depository institution;

(12)(A) ~~a~~ A person making an unsecured commercial loan, which loan is expressly subordinate to the prior payment of all senior indebtedness of the commercial borrower regardless of whether such senior indebtedness exists at the time of the loan or arises thereafter. The loan may or may not include the right to convert all or a portion of the amount due on the loan to an equity interest in the commercial borrower;

(B) ~~for purposes of~~ As used in this subdivision (12), “senior indebtedness” means:

(i) all indebtedness of the commercial borrower for money borrowed from depository institutions, trust companies, insurance companies, and licensed lenders, and any guarantee thereof; and

(ii) any other indebtedness of the commercial borrower that the lender and the commercial borrower agree shall constitute senior indebtedness;

(13) ~~nonprofit~~ Nonprofit organizations established under testamentary instruments, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), and which make loans for postsecondary educational costs to students and their parents, provided that the organizations provide annual accountings to the Probate Division of the Superior Court;

(14) ~~any~~ Any individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member of the individual;

(15) a A housing finance agency.

(16) A person who makes no more than three mortgage loans in any consecutive three-year period beginning on or after July 1, 2011.

(e) No mortgage loan originator license shall be required of:

(1) Registered mortgage loan originators, when employed by and acting for an entity described in subdivision 2200(22) of this chapter.

(2) Any individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member of the individual.

(3) Any individual who offers or negotiates terms of a residential mortgage loan secured by a dwelling that served as the individual’s residence, including a vacation home, or inherited property that served as the deceased’s dwelling, provided that the individual does not act as a mortgage loan originator or provide financing for such sales so frequently and under such circumstances that it constitutes a habitual activity and acting in a commercial context.

(4) An individual who is an employee of a federal, ~~state~~ State, or local government agency, or an employee of a housing finance agency, who acts as a mortgage loan originator only pursuant to his or her official duties as an

employee of the federal, ~~state~~ State, or local government agency or housing finance agency.

(5) A licensed attorney who negotiates the terms of a residential mortgage loan on behalf of a client as an ancillary matter to the attorney's representation of the client, unless the attorney is compensated by a lender, a mortgage broker, or other mortgage loan originator or by any agent of such lender, mortgage broker, or other mortgage loan originator. To the extent an attorney licensed in this State undertakes activities that are covered by the definition of a mortgage loan originator, such activities do not constitute engaging in the business of a mortgage loan originator, provided that:

(A) such activities are considered by the State governing body responsible for regulating the practice of law to be part of the authorized practice of law within this State;

(B) such activities are carried out within an attorney-client relationship; and

(C) the attorney carries them out in compliance with all applicable laws, rules, ethics, and standards.

(6) A person who makes no more than three mortgage loans in any consecutive three-year period beginning on or after July 1, 2011.

(f) If a person who offers or negotiates the terms of a mortgage loan is exempt from licensure pursuant to subdivision (d)(16) or (e)(6) of this section, there is a rebuttable presumption that he or she is not engaged in the business of making loans or being a mortgage loan originator.

(g) Independent contractor loan processors or underwriters. A loan processor or underwriter who is an independent contractor may not engage in the activities of a loan processor or underwriter unless such independent contractor loan processor or underwriter obtains and maintains a mortgage loan originator license. Each independent contractor loan processor or underwriter licensed as a mortgage loan originator must have and maintain a valid unique identifier issued by the Nationwide Mortgage Licensing System and Registry.

~~(g)~~(h) This chapter shall not apply to commercial loans of \$1,000,000.00 or more.

* * * Vermont State Treasurer; Credit Facilities; 10 Percent for Vermont * * *

Sec. 22. 2013 Acts and Resolves No. 87, Sec. 8 is amended to read:

Sec. 8. INVESTMENT OF STATE MONIES

The Treasurer is hereby authorized to establish a ~~short-term~~ credit facility for the benefit of the Vermont Economic Development Authority in an amount of up to \$10,000,000.00.

Sec. 23. VERMONT STATE TREASURER; CREDIT FACILITY FOR
LOCAL INVESTMENTS

(a) Notwithstanding any other provision of law to the contrary, the Vermont State Treasurer shall have the authority to establish a credit facility of up to 10 percent of the State's average cash balance on terms acceptable to the Treasurer consistent with the provisions of the Uniform Prudent Investor Act, 14A V.S.A. chapter 9.

(b) The amount authorized in subsection (a) of this section shall include all credit facilities authorized by the General Assembly and established by the Treasurer prior to or subsequent to the effective date of this section, and the renewal or replacement of those credit facilities.

Sec. 24. TREASURER'S LOCAL INVESTMENT ADVISORY
COMMITTEE; REPORT

(a) Creation of committee. The Treasurer's Local Investment Advisory Committee is established to:

(1) advise the Treasurer on funding priorities for credit facilities authorized by current law; and

(2) address other mechanisms to increase local investment.

(b) Membership.

(1) The Committee shall be composed of the following members:

(A) the State Treasurer or designee, who shall serve as Chair of the Committee;

(B) the Commissioner of Financial Regulation or designee;

(C) the Secretary of Commerce and Community Development or designee;

(D) a senior officer of a Vermont bank, who shall be appointed by the Governor;

(E) a member of the public, who shall be appointed by the Speaker of the House;

(F) a member of the public, who shall be appointed by the President Pro Tempore of the Senate;

(G) the executive director of a Vermont nonprofit organization that, as part of its mission, directly lends or services loans or other similar obligations, who shall be appointed by the Governor;

(H) the manager of the Vermont Economic Development Authority or designee;

(I) the executive director of the Vermont Housing Finance Agency or designee;

(J) the President of the Vermont Student Assistance Corporation or designee; and

(K) the executive director of the Vermont Municipal Bond Bank or designee.

(2) The State Treasurer shall be the Chair of the Advisory Committee and shall appoint a vice chair and secretary. The appointed members of the Advisory Committee shall be appointed for terms of six years and shall serve until their successors are appointed and qualified.

(c) Powers and duties. The Advisory Committee shall:

(1) meet regularly to review and make recommendations to the State Treasurer on funding priorities and using other mechanisms to increase local investment in the State of Vermont;

(2) invite regularly State organizations and citizens groups to Advisory Committee meetings to present information on needs for local investment, capital gaps, and proposals for financing; and

(3) consult with constituents and review feedback on changes and needs in the local and State investment and financing environments.

(d) Meetings.

(1) Meetings of the Advisory Committee shall occur at the call of the Treasurer.

(2) A majority of the members of the Advisory Committee who are physically present at the same location or available electronically shall constitute a quorum, and a member may participate and vote electronically.

(3) To be effective, action of the Advisory Committee shall be taken by majority vote of the members at a meeting in which a quorum is present.

(e) Report. On or before January 15, 2015, and annually thereafter, the Advisory Committee shall submit a report to the Senate Committees on Economic Development, Housing and General Affairs, on Finance, and on Government Operations and the House Committees on Commerce and

Economic Development, on Ways and Means, and on Government Operations. The report shall include the following:

(1) the amount of the subsidies associated with lending through each credit facility authorized by the General Assembly and established by the Treasurer;

(2) a description of the Advisory Committee's activities; and

(3) any information gathered by the Advisory Committee on the State's unmet capital needs, and other opportunities for State support for local investment and the community.

Sec. 25. SUNSET

Secs. 23–24 of this act shall be repealed on July 1, 2015.

Sec. 26. 9 V.S.A. § 2481w is amended to read:

§ 2481w. UNLICENSED LOAN TRANSACTIONS

(a) In this subchapter:

(1) “Financial account” means a checking, savings, share, stored value, prepaid, payroll card, or other depository account.

(2) “Lender” means a person engaged in the business of making loans of money, credit, goods, or things in action and charging, contracting for, or receiving on any such loan interest, a finance charge, a discount, or consideration.

(3) “Process” or “processing” includes printing a check, draft, or other form of negotiable instrument drawn on or debited against a consumer's financial account, formatting or transferring data for use in connection with the debiting of a consumer's financial account by means of such an instrument or an electronic funds transfer, or arranging for such services to be provided to a lender.

(4) “Processor” means a person who engages in processing, as defined in subdivision (3) of this subsection. In this section, “processor” does not include an interbank clearinghouse.

(5) “Interbank clearinghouse” means a person that operates an exchange of automated clearinghouse items, checks, or check images solely between insured depository institutions.

(b) It is an unfair and deceptive act and practice in commerce for a lender directly or through an agent to solicit or make a loan to a consumer by any means unless the lender is in compliance with all provisions of 8 V.S.A.

chapter 73 or is otherwise exempt from the requirements of 8 V.S.A. chapter 73.

(c) It is an unfair and deceptive act and practice in commerce for a processor, other than a federally insured depository institution, to process a check, draft, other form of negotiable instrument, or an electronic funds transfer from a consumer's financial account in connection with a loan solicited or made by any means to a consumer unless the lender is in compliance with all provisions of 8 V.S.A. chapter 73 or is otherwise exempt from the requirements of 8 V.S.A. chapter 73.

(d) It is an unfair and deceptive act and practice in commerce for any person, including the lender's financial institution as defined in 8 V.S.A. § 10202(5), but not including the consumer's financial institution as defined in 8 V.S.A. § 10202(5) or an interbank clearinghouse as defined in subsection (a) of this section, to provide substantial assistance to a lender or processor when the person or the person's authorized agent receives notice from a regulatory, law enforcement, or similar governmental authority, or knows from its normal monitoring and compliance systems, or consciously avoids knowing that the lender or processor is in violation of subsection (b) or (c) of this section, or is engaging in an unfair or deceptive act or practice in commerce.

Sec. 27. 30 V.S.A. § 248a is amended to read:

§ 248a. CERTIFICATE OF PUBLIC GOOD FOR COMMUNICATIONS FACILITIES

* * *

(b) Definitions. ~~For the purposes of~~ As used in this section:

* * *

(4) "Telecommunications facility" means a communications facility that transmits and receives signals to and from a local, State, national, or international network used primarily for two-way communications for commercial, industrial, municipal, county, or State purposes and any associated support structure that is proposed for construction or installation which is primarily for communications purposes, and any ancillary improvements that are proposed for construction or installation and are primarily intended to serve the communications facilities or support structure. An applicant may seek approval of construction or installation of a telecommunications facility whether or not the telecommunications facility is attached to an existing structure.

(5) "Wireless service" means any commercial mobile radio service, wireless service, common carrier wireless exchange service, cellular service,

personal communications service (PCS), specialized mobile radio service, paging service, wireless data service, or public or private radio dispatch service.

* * *

(c) Findings. Before the Public Service Board issues a certificate of public good under this section, it shall find that:

(1) The proposed facility will not have an undue adverse effect on aesthetics, historic sites, air and water purity, the natural environment, and the public health and safety, and the public's use and enjoyment of the I-89 and I-91 scenic corridors or of any highway that has been designated as a scenic road pursuant to 19 V.S.A. § 2501 or a scenic byway pursuant to 23 U.S.C. § 162, with due consideration having been given to the relevant criteria specified in 10 V.S.A. §§ 1424a(d) and 6086(a)(1) through (8) and (9)(K). However, with respect to telecommunications facilities of limited size and scope, the Board shall waive all criteria of this subdivision other than 10 V.S.A. § 6086(a)(1)(D)(floodways) and (a)(8)(aesthetics, scenic beauty, historic sites, rare and irreplaceable natural areas; endangered species; necessary wildlife habitat). Such waiver shall be on condition that:

(A) ~~The~~ the Board may determine, pursuant to the procedures described in subdivision (j)(2)(A) of this section, that a petition raises a significant issue with respect to any criterion of this subdivision; and

(B) ~~A~~ a telecommunications facility of limited size and scope shall comply, at a minimum, with the requirements of the Low Risk Site Handbook for Erosion Prevention and Sediment Control issued by the Department of Environmental Conservation, regardless of any provisions in that handbook that limit its applicability.

(2) Unless there is good cause to find otherwise, substantial deference has been given to the land conservation measures in the plans of the affected municipalities and the recommendations of the municipal legislative bodies and the municipal and regional planning commissions regarding the municipal and regional plans, respectively. Nothing in this section or other provision of law shall prevent a municipal body from basing its recommendations on an ordinance adopted under 24 V.S.A. § 2291(19) or bylaw adopted under 24 V.S.A. chapter 117 by the municipality in which the facility is located. A rebuttable presumption respecting compliance with the applicable plan shall be created by a letter from an affected municipal legislative body or municipal planning commission concerning compliance with the municipal plan and by a letter from a regional planning commission concerning compliance with the regional plan.

(3) If the proposed facility relates to the provision of wireless service, the proposed facility reasonably cannot be collocated on or at an existing telecommunications facility, or such collocation would cause an undue adverse effect on aesthetics.

* * *

(e) Notice. No less than 45 days prior to filing an application for a certificate of public good under this section, the applicant shall serve written notice of an application to be filed with the Board pursuant to this section to the legislative bodies and municipal and regional planning commissions in the communities in which the applicant proposes to construct or install facilities; the Secretary of Natural Resources; the Secretary of Transportation; the Division for Historic Preservation; the Commissioner of Public Service and its Director for Public Advocacy; the Natural Resources Board if the application concerns a telecommunications facility for which a permit previously has been issued under 10 V.S.A. chapter 151; and the landowners of record of property adjoining the project sites. In addition, at least one copy of each application shall be filed with each of these municipal and regional planning commissions.

(1) Upon motion or otherwise, the Public Service Board shall direct that further public or personal notice be provided if the Board finds that such further notice will not unduly delay consideration of the merits and that additional notice is necessary for fair consideration of the application.

(2) On the request of the municipal legislative body or the planning commission, the applicant shall attend a public meeting with the municipal legislative body or planning commission, or both, within the 45-day notice period before filing an application for a certificate of public good. The Department of Public Service shall attend the public meeting on the request of the municipality. The Department shall consider the comments made and information obtained at the meeting in making recommendations to the Board on the application and in determining whether to retain additional personnel under subsection (o) of this section.

* * *

(i) Sunset of Board authority. Effective on July 1, 2014 2017, no new applications for certificates of public good under this section may be considered by the Board.

* * *

(m) Municipal bodies; participation. The legislative body and the planning commission for the municipality in which a telecommunications facility is located shall have the right to appear and participate on any application under this section seeking a certificate of public good for the facility.

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

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

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

Sec. 28. PUBLIC SERVICE BOARD; ORDER REVISION

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

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

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

Sec. 29. REPORT; TELECOMMUNICATIONS FACILITY REVIEW

PROCESS

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

Sec. 30. 10 V.S.A. § 1264(j) is amended to read:

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

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

(2) The Secretary shall issue a decision on the application within 60 days of the date the Secretary determines the application to be complete, if the application seeks or requires authorization under an individual permit.

Sec. 31. 10 V.S.A. § 8506 is amended to read:

§ 8506. RENEWABLE ENERGY PLANT; TELECOMMUNICATIONS FACILITY; APPEALS

(a) Within 30 days of the date of the act or decision, any person aggrieved by an act or decision of the ~~secretary~~ Secretary, under the provisions of law listed in section 8503 of this title, or any party by right may appeal to the ~~public service board~~ Public Service Board if the act or decision concerns a renewable energy plant for which a certificate of public good is required under 30 V.S.A. § 248 or a telecommunications facility for which the applicant has applied or has served notice under 30 V.S.A. § 248a(e) that it will apply for approval under 30 V.S.A. § 248a. This section shall not apply to a facility that is subject to section 1004 (dams before the Federal Energy Regulatory Commission) or 1006 (certification of hydroelectric projects) or chapter 43 (dams) of this title. This section shall not apply to an appeal of an act or

decision of the secretary regarding a telecommunications facility made on or after July 1, ~~2014~~ 2017.

* * *

Sec. 32. REPEAL

2011 Acts and Resolves No. 53, Sec. 14d (repeal of limitations on municipal bylaws; municipal ordinances; wireless telecommunications facilities) is repealed.

Sec. 33. 3 V.S.A. § 2809 is amended to read:

§ 2809. REIMBURSEMENT OF AGENCY COSTS

(a)(1) The Secretary may require an applicant for a permit, license, certification, or order issued under a program that the Secretary enforces under 10 V.S.A. § 8003(a) to pay for the cost of research, scientific, programmatic, or engineering expertise provided by the Agency of Natural Resources, provided that the following apply:

(A) ~~the~~ The Secretary does not have such expertise or services and such expertise is required for the processing of the application for the permit, license, certification, or order; ~~or.~~

(B) ~~the~~ The Secretary does have such expertise but has made a determination that it is beyond the ~~agency's~~ Agency's internal capacity to effectively utilize that expertise to process the application for the permit, license, certification, or order. In addition, the Secretary shall determine that such expertise is required for the processing of the application for the permit, license, certification, or order.

(2) The Secretary may require an applicant under 10 V.S.A. chapter 151 to pay for the time of Agency of Natural Resources personnel providing research, scientific, or engineering services or for the cost of expert witnesses when ~~agency~~ Agency personnel or expert witnesses are required for the processing of the permit application.

(3) In addition to the authority set forth under 10 V.S.A. chapters 59 and 159 and § section 1283, the Secretary may require a person who caused the ~~agency~~ Agency to incur expenditures or a person in violation of a permit, license, certification, or order issued by the Secretary to pay for the time of ~~agency~~ Agency personnel or the cost of other research, scientific, or engineering services incurred by the ~~agency~~ Agency in response to a threat to public health or the environment presented by an emergency or exigent circumstance.

* * *

(g) Concerning an application for a permit to discharge stormwater runoff from a telecommunications facility as defined in 30 V.S.A. § 248a that is filed before July 1, ~~2014~~2017:

(1) Under subdivision (a)(1) of this section, the ~~agency~~ Agency shall not require an applicant to pay more than \$10,000.00 with respect to a facility.

(2) The provisions of subsection (c) (mandatory meeting) of this section shall not apply.

Sec. 34. JFO ACCD DEMOGRAPHIC STUDY

The Agency of Commerce and Community Development, with consultation and review by the legislative economist and the Joint Fiscal Office, shall conduct an economic impact analysis, including study of demographic and infrastructure impacts associated with recently announced development projects in the Northeast Kingdom of Vermont, and shall submit its findings to the House Committee on Commerce and Economic Development, the Senate Committee on Economic Development, Housing and General Affairs, and the Joint Fiscal Committee on or before December 1, 2014.

* * * Tourism Funding; Study * * *

Sec. 35. TOURISM FUNDING; PILOT PROJECT STUDY

On or before January 15, 2015, the Secretary of Commerce and Community Development shall submit to the House Committees on Appropriations and on Commerce and Economic Development and the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs a report that analyzes the results of the performance-based funding pilot project for the Department of Tourism and Marketing and recommends appropriate legislative or administrative changes to the funding mechanism for tourism and marketing programs.

* * * Land Use; Housing; Industrial Development * * *

Sec. 36. 10 V.S.A. chapter 12 is amended to read:

CHAPTER 12. VERMONT ECONOMIC DEVELOPMENT AUTHORITY

* * *

§ 212. DEFINITIONS

As used in this chapter:

* * *

(6) “Eligible facility” or “eligible project” means any industrial, commercial, or agricultural enterprise or endeavor approved by the authority that meets the criteria established in the Vermont Sustainable Jobs Strategy

adopted by the Governor under section 280b of this title, including land and rights in land, air, or water, buildings, structures, machinery, and equipment of such eligible facilities or eligible projects, except that an eligible facility or project shall not include the portion of an enterprise or endeavor relating to the sale of goods at retail where such goods are manufactured primarily out of state, and except further that an eligible facility or project shall not include the portion of an enterprise or endeavor relating to housing. Such enterprises or endeavors may include:

* * *

(M) Sustainably Priced Energy Enterprise Development (SPEED) resources, as defined in 30 V.S.A. § 8002; ~~or~~

(N) any combination of the foregoing activities, uses, or purposes. An eligible facility may include structures, appurtenances incidental to the foregoing such as utility lines, storage accommodations, offices, dependent care facilities, or transportation facilities; or

(O) industrial park planning, development, or improvement.

* * *

§ 261. ADDITIONAL POWERS

In addition to powers enumerated elsewhere in this chapter, the authority may:

* * *

(6) provide loans and assistance under this subchapter for the planning, development, or improvement of an industrial park or an eligible project within an industrial park.

Sec. 37. 10 V.S.A. § 6001(35) is added to read:

(35) “Industrial park” means an area of land permitted under this chapter that is planned, designed, and zoned as a location for one or more industrial buildings, that includes adequate access roads, utilities, water, sewer, and other services necessary for the uses of the industrial buildings, and includes no retail use except that which is incidental to an industrial use, and no office use except that which is incidental or secondary to an industrial use.

Sec. 38. REVIEW OF MASTER PLAN POLICY

On or before January 1, 2015, the Natural Resources Board shall review its master plan policy and commence the policy’s adoption as a rule. The proposed rule shall include provisions for efficient master plan permitting and master plan permit amendments for industrial parks. The Board shall consult with affected parties when developing the proposed rule.

* * * Primary Agricultural Soils; Industrial Parks * * *

Sec. 39. 10 V.S.A. § 6093(a)(4) is amended to read:

(4) Industrial parks.

(A) Notwithstanding any provision of this chapter to the contrary, a conversion of primary agricultural soils located in an industrial park ~~as defined in subdivision 212(7) of this title and~~ permitted under this chapter and in existence as of January 1, 2006, shall be allowed to pay a mitigation fee computed according to the provisions of subdivision (1) of this subsection, except that it shall be entitled to a ratio of 1:1, protected acres to acres of affected primary agricultural soil. If an industrial park is developed to the fullest extent before any expansion, this ratio shall apply to any contiguous expansion of such an industrial park that totals no more than 25 percent of the area of the park or no more than 10 acres, whichever is larger; provided any expansion based on percentage does not exceed 50 acres. Any expansion larger than that described in this subdivision shall be subject to the mitigation provisions of this subsection at ratios that depend upon the location of the expansion.

(B) In any application to a ~~district commission for expansion of~~ District Commission to amend a permit for an existing industrial park, compact development patterns shall be encouraged that assure the most efficient and full use of land and the realization of maximum economic development potential through appropriate densities shall be allowed consistent with all applicable criteria of subsection 6086(a) of this title. Industrial park expansions and industrial park infill shall not be subject to requirements established in subdivision 6086(a)(9)(B)(iii) of this title, nor to requirements established in subdivision 6086(a)(9)(C)(iii).

* * * Affordable Housing * * *

Sec. 40. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

In this chapter:

* * *

(3)(A) “Development” means each of the following:

* * *

(iv) The construction of housing projects such as cooperatives, condominiums, or dwellings, or construction or maintenance of mobile homes or ~~trailer~~ mobile home parks, with 10 or more units, constructed or maintained on a tract or tracts of land, owned or controlled by a person, within a radius of

five miles of any point on any involved land, and within any continuous period of five years. However:

(I) A priority housing project shall constitute a development under this subdivision (iv) only if the number of housing units in the project is:

(aa) 275 or more, in a municipality with a population of 15,000 or more;

(bb) 150 or more, in a municipality with a population of 10,000 or more but less than 15,000;

(cc) 75 or more, in a municipality with a population of 6,000 or more but less than 10,000.

(dd) 50 or more, in a municipality with a population of 3,000 or more but less than 6,000;

(ee) 25 or more, in a municipality with a population of less than 3,000; and

(ff) notwithstanding subdivisions (aa) through (ee) of this subdivision (iv)(I), 10 or more if the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have no adverse effect; no adverse effect provided that specified conditions are met; or will have an adverse effect but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document.

(II) The determination of jurisdiction over a priority housing project shall count only the housing units included in that discrete project.

(III) Housing units in a priority housing project shall not count toward determining jurisdiction over any other project.

* * *

~~(B)(i) Smart Growth Jurisdictional Thresholds. Notwithstanding the provisions of subdivision (3)(A) of this section, if a project consists exclusively of mixed income housing or mixed use, or any combination thereof, and is located entirely within a growth center designated pursuant to 24 V.S.A. 2793c or entirely within a downtown development district designated pursuant to 24 V.S.A. § 2793, "development" means:~~

~~(I) Construction of mixed income housing with 200 or more housing units or a mixed use project with 200 or more housing units, in a municipality with a population of 15,000 or more.~~

~~(II) Construction of mixed income housing with 100 or more housing units or a mixed use project with 100 or more housing units, in a municipality with a population of 10,000 or more but less than 15,000.~~

~~(III) Construction of mixed income housing with 50 or more housing units or a mixed use project with 50 or more housing units, in a municipality with a population of 6,000 or more and less than 10,000.~~

~~(IV) Construction of mixed income housing with 30 or more housing units or a mixed use project with 30 or more housing units, in a municipality with a population of 3,000 or more but less than 6,000.~~

~~(V) Construction of mixed income housing with 25 or more housing units or a mixed use project with 25 or more housing units, in a municipality with a population of less than 3,000.~~

~~(VI) Historic Buildings. Construction of 10 or more units of mixed income housing or a mixed use project with 10 or more housing units where the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have: no adverse effect; no adverse effect provided that specified conditions are met; or, will have an adverse effect, but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document.~~

~~(ii) Mixed Income Housing Jurisdictional Thresholds. Notwithstanding the provisions of subdivision (3)(A) of this section, if a project consists exclusively of mixed income housing and is located entirely within a Vermont neighborhood designated pursuant to 24 V.S.A. § 2793d or a neighborhood development area as defined in 24 V.S.A. § 2791(16); “development” means:~~

~~(I) Construction of mixed income housing with 200 or more housing units, in a municipality with a population of 15,000 or more.~~

~~(II) Construction of mixed income housing with 100 or more housing units, in a municipality with a population of 10,000 or more but less than 15,000.~~

~~(III) Construction of mixed income housing with 50 or more housing units, in a municipality with a population of 6,000 or more and less than 10,000.~~

~~(IV) Construction of mixed income housing with 30 or more housing units, in a municipality with a population of 3,000 or more but less than 6,000.~~

~~(V) Construction of mixed income housing with 25 or more housing units, in a municipality with a population of less than 3,000.~~

~~(VI) Historic Buildings. Construction of 10 or more units of mixed income housing where the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have: no adverse effect; no adverse effect provided that specified conditions are met; or will have an adverse effect, but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document. [Repealed.]~~

(C) For the purposes of determining jurisdiction under subdivisions subdivision (3)(A) and (3)(B) of this section, the following shall apply:

~~(i) Incentive for Growth Inside Designated Areas. Notwithstanding subdivision (3)(A)(iv) of this section, housing units constructed by a person partially or completely outside a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area shall not be counted to determine jurisdiction over housing units constructed by that person entirely within a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area. [Repealed.]~~

~~(ii) Five Year, Five Mile Radius Jurisdiction Analysis. Within any continuous period of five years, housing units constructed by a person entirely within a designated downtown district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area shall be counted together with housing units constructed by that person partially or completely outside a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area to determine jurisdiction over the housing units constructed by a person partially or completely outside the designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area and within a~~

~~five-mile radius in accordance with subdivision (3)(A)(iv) of this section. [Repealed.]~~

~~(iii) Discrete Housing Projects in Designated Areas and Exclusive Counting for Housing Units. Notwithstanding subdivisions (3)(A)(iv) and (19) of this section, jurisdiction shall be determined exclusively by counting housing units constructed by a person within a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area, provided that the housing units are part of a discrete project located on a single tract or multiple contiguous tracts of land. [Repealed.]~~

* * *

(27) “Mixed income housing” means a housing project in which the following apply:

(A) Owner-occupied housing. At the option of the applicant, owner-occupied housing may be characterized by either of the following:

(i) at least 15 percent of the housing units have a purchase price which at the time of first sale does not exceed 85 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency; or

(ii) at least 20 percent of the housing units have a purchase price which at the time of first sale does not exceed 90 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency;

(B) ~~Affordable~~ Rental Housing. At least 20 percent of the housing units that is are rented by the occupants whose gross annual household income does not exceed 60 percent of the county median income, or 60 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the United States Department of Housing and Urban Development for use with the Housing Credit Program under Section 42(g) of the Internal Revenue Code, and the total annual cost of the housing, as defined at Section 42(g)(2)(B), is not more than 30 percent of the gross annual household income as defined at Section 42(g)(2)(C), and with constitute affordable housing and have a duration of affordability of no less than ~~30~~ 20 years.

(28) “Mixed use” means construction of both mixed income housing and construction of space for any combination of retail, office, services, artisan, and recreational and community facilities, provided at least 40 percent of the gross floor area of the buildings involved is mixed income housing. “Mixed use” does not include industrial use.

(29) "Affordable housing" means either of the following:

(A) Housing that is owned by its occupants whose gross annual household income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the United States Department of Housing and Urban Development, and the total annual cost of the housing, including principal, interest, taxes, insurance, and condominium association fees, is not more than 30 percent of the gross annual household income.

(B) Housing that is rented by the occupants whose gross annual household income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the United States Department of Housing and Urban Development, and the total annual cost of the housing, including rent, utilities, and condominium association fees, is not more than 30 percent of the gross annual household income.

* * *

(36) "Priority housing project" means a discrete project located on a single tract or multiple contiguous tracts of land that consists exclusively of:

(A) mixed income housing or mixed use, or any combination thereof, and is located entirely within a designated downtown development district, designated growth center, or designated village center that is also a designated neighborhood development area under 24 V.S.A. chapter 76A; or

(B) mixed income housing and is located entirely within a designated Vermont neighborhood or designated neighborhood development area under 24 V.S.A. chapter 76A.

* * *

* * * Workforce Education and Training * * *

Sec. 41. 10 V.S.A. chapter 22A is amended to read:

CHAPTER 22A. WORKFORCE EDUCATION AND TRAINING

§ 540. WORKFORCE EDUCATION AND TRAINING LEADER

The Commissioner of Labor shall be the leader of workforce education and training in the State, and shall have the authority and responsibility for the coordination of workforce education and training within State government, including the following duties:

(1) perform the following duties in consultation with the State Workforce Investment Board:

(A) advise the Governor on the establishment of an integrated system of workforce education and training for Vermont;

(B) create and maintain an inventory of all existing workforce education and training programs and activities in the State;

(C) use data to ensure that State workforce education and training activities are aligned with the needs of the available workforce, the current and future job opportunities in the State, and the specific credentials needed to achieve employment in those jobs;

(D) develop a State plan, as required by federal law, to ensure that workforce education and training programs and activities in the State serve Vermont citizens and businesses to the maximum extent possible;

(E) ensure coordination and non-duplication of workforce education and training activities;

(F) identify best practices and gaps in the delivery of workforce education and training programs;

(G) design and implement criteria and performance measures for workforce education and training activities; and

(H) establish goals for the integrated workforce education and training system.

(2) Require from each business, training provider, or program that receives State funding to conduct workforce education and training a report that evaluates the results of the training. Each recipient shall submit its report on a schedule determined by the Commissioner and shall include at least the following information:

(A) name of the person who receives funding;

(B) amount of funding;

(C) activities and training provided;

(D) number of trainees and their general description;

(E) employment status of trainees; and

(F) future needs for resources.

(3) Review reports submitted by each recipient of workforce education and training funding.

(4) Issue an annual report to the Governor and the General Assembly on or before December 1 that includes a systematic evaluation of the

accomplishments of the State workforce investment system and the performance of participating agencies and institutions.

(5) Coordinate public and private workforce programs to assure that information is easily accessible to students, employees, and employers, and that all information and necessary counseling is available through one contact.

(6) Facilitate effective communication between the business community and public and private educational institutions.

§ 541. WORKFORCE DEVELOPMENT COUNCIL; STATE WORKFORCE INVESTMENT BOARD; MEMBERS, TERMS

~~(a) The Workforce education and training Council is created as the successor to and the continuation of the Governor's Human Resources Investment Council and shall be the State Workforce Investment Board under Public Law 105-220, the Workforce Investment Act of 1998, and any reauthorization of that act. The Council shall consist of the members required under the federal act and the following: the President of the University of Vermont or designee; the Chancellor of the Vermont State Colleges or designee; the President of the Vermont Student Assistance corporation or designee; the President of the Association of Vermont Independent Colleges or designee; a representative of the Abenaki Self Help Organization; at least two representatives of labor appointed by the Governor in addition to the two required under the federal act, who shall be chosen from a list of names submitted by Vermont AFL-CIO, Vermont NEA, and the Vermont State Employees Association; one representative of the low income community appointed by the Governor; two members of the Senate appointed by the Senate Committee on Committees; and two members of the house appointed by the speaker. In addition, the Governor shall appoint enough other members who are representatives of business or employers so that one half plus one of the members of the council are representatives of business or employers. At least one third of those appointed by the Governor as representatives of business or employers shall be chosen from a list of names submitted by the regional technical centers. As used in this section, "representative of business" means a business owner, a chief executive operating officer, or other business executive, and "employer" means an individual with policy-making or hiring authority, including a public school superintendent or school board member and representatives from the nonprofit, social services, and health sectors of the economy. If there is a dispute as to who is to represent an interest as required under the federal law, the Governor shall decide who shall be the member of the Council.~~

~~(b) Appointed members, except legislative appointees, shall be appointed for three-year terms and serve at the pleasure of the Governor.~~

~~(c) A vacancy shall be filled for the unexpired term in the same manner as the initial appointment.~~

~~(d) The Governor shall appoint one of the business or employer members to chair the council for a term of two years. A member shall not serve more than three consecutive terms as chair.~~

~~(e) Legislative members shall be entitled to compensation and expenses as provided in 2 V.S.A. § 406, and other members shall be entitled to compensation and expenses as provided in 32 V.S.A. § 1010.~~

~~(f) The Department of Labor shall provide the Council with administrative support.~~

~~(g) The Workforce education and training Council shall be subject to 1 V.S.A. chapter 5, subchapters 2 and 3, relating to public meetings and access to public records.~~

~~(h) [Repealed.]~~

~~(i) The Workforce education and training Council shall:~~

~~(1) Advise the Governor on the establishment of an integrated network of workforce education and training for Vermont.~~

~~(2) Coordinate planning and services for an integrated network of workforce education and training and oversee its implementation at State and regional levels.~~

~~(3) Establish goals for and coordinate the State's workforce education and training policies.~~

~~(4) Speak for the workforce needs of employers.~~

~~(5) Negotiate memoranda of understanding between the Council and agencies and institutions involved in Vermont's integrated network of workforce education and training in order to ensure that each is working to achieve annual objectives developed by the Council.~~

~~(6) Carry out the duties assigned to the State Workforce Investment Board, as required for a single service delivery state, under P.L. 105-220, the Workforce Investment Act of 1998, and any amendments that may be made to it. [Repealed.]~~

§ 541a. STATE WORKFORCE INVESTMENT BOARD

(a) Board established; duties. Pursuant to the requirements of 29 U.S.C. § 2821, the Governor shall establish a State Workforce Investment Board to assist the Governor in the execution of his or her duties under the Workforce

Investment Act of 1998 and to assist the Commissioner of Labor as specified in section 540 of this title.

(b) Additional duties; planning; process. In order to inform its decision-making and to provide effective assistance under subsection (a) of this section, the Board shall:

(1) conduct an ongoing public engagement process throughout the State at which Vermonters have the opportunity to provide feedback and information concerning their workforce education and training needs; and

(2) maintain familiarity with the federal Comprehensive Economic Development Strategy (CEDS) and other economic development planning processes, and coordinate workforce and education activities in the State, including the development and implementation of the state plan required under the Workforce Investment Act of 1998, with economic development planning processes occurring in the State, as appropriate.

(c) Membership. The Board shall consist of the Governor and the following members who are appointed by the Governor and serve at his or her pleasure, unless otherwise indicated:

(1) two Members of the Vermont House of Representatives appointed by the Speaker of the House;

(2) two Members of the Vermont Senate appointed by the Senate Committee on Committees;

(3) the President of the University of Vermont or designee;

(4) the Chancellor of the Vermont State Colleges or designee;

(5) the President of the Vermont Student Assistance Corporation or designee;

(6) a representative of an independent Vermont college or university;

(7) the Secretary of Education or designee;

(8) a director of a regional technical center;

(9) a principal of a Vermont high school;

(10) two representatives of labor organizations who have been nominated by State labor federations;

(11) two representatives of individuals and organizations who have experience with respect to youth activities, as defined in 29 U.S.C. § 2801(52);

(12) two representatives of individuals and organizations who have experience in the delivery of workforce investment activities, as defined in 29 U.S.C. § 2801(51);

(13) the lead State agency officials with responsibility for the programs and activities carried out by one-stop partners, as described in 29 U.S.C. § 2841(b), or if no official has that responsibility, a representative in the State with expertise relating to these programs and activities;

(14) the Commissioner of Economic Development;

(15) the Commissioner of Labor;

(16) the Secretary of Human Services or designee;

(17) two individuals who have experience in, and can speak for, the training needs of underemployed and unemployed Vermonters; and

(18) a number of appointees sufficient to constitute a majority of the Board who:

(A) are owners, chief executives, or operating officers of businesses, and other business executives or employers with optimum policymaking or hiring authority;

(B) represent businesses with employment opportunities that reflect the employment opportunities of the State; and

(C) are appointed from among individuals nominated by State business organizations and business trade associations.

(d) Operation of Board.

(1) Member representation.

(A) Members of the State Board who represent organizations, agencies, or other entities shall be individuals with optimum policymaking authority within the organizations, agencies, or entities.

(B) The members of the Board shall represent diverse regions of the State, including urban, rural, and suburban areas.

(2) Chair. The Governor shall select a chair for the Board from among the business representatives appointed pursuant to subdivision (c)(18) of this section.

(3) Meetings. The Board shall meet at least three times annually and shall hold additional meetings upon call of the Chair.

(4) Work groups; task forces. The Chair, in consultation with the Commissioner of Labor, may:

(A) assign one or more members to work groups to carry out the work of the Board; and

(B) appoint one or more members of the Board, or nonmembers of the Board, or both, to one or more task forces for a discrete purpose and duration.

(5) Quorum; meetings; voting.

(A) A majority of the sitting members of the Board shall constitute a quorum, and to be valid any action taken by the Board shall be authorized by a majority of the members present and voting at any regular or special meeting at which a quorum is present.

(B) The Board may permit one or more members 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 members participating may simultaneously or sequentially communicate with each other during the meeting. A member participating in a meeting by this means is deemed to be present in person at the meeting.

(C) The Board shall deliver electronically the minutes for each of its meetings to each member of the Board and to the Chairs of the House Committees on Education and on Commerce and Economic Development, and to the Senate Committees on Education and on Economic Development, Housing and General Affairs.

(6) Reimbursement.

(A) Legislative members of the Board shall be entitled to compensation and expenses as provided in 2 V.S.A. § 406.

(B) Unless otherwise compensated by his or her employer for performance of his or her duties on the Board, a nonlegislative member of the Board shall be eligible for per diem compensation of \$50.00 per day for attendance at a meeting of the Board, and for reimbursement of his or her necessary expenses, which shall be paid by the Department of Labor solely from funds available for that purpose under the Workforce Investment Act of 1998.

(7) Conflict of interest. A member of the Board shall not:

(A) vote on a matter under consideration by the Board:

(i) regarding the provision of services by the member, or by an entity that the member represents; or

(ii) that would provide direct financial benefit to the member or the immediate family of the member; or

(B) engage in any activity that the Governor determines constitutes a conflict of interest as specified in the State Plan required under 29 U.S.C. § 2822.

(8) Sunshine provision. The Board shall make available to the public, on a regular basis through open meetings, information regarding the activities of the Board, including information regarding the State Plan adopted pursuant to 29 U.S.C. § 2822 and prior to submission of the State Plan to the U.S. Secretary of Labor, information regarding membership, and, on request, minutes of formal meetings of the Board.

§ 541b. WORKFORCE EDUCATION AND TRAINING; DUTIES OF OTHER STATE AGENCIES, DEPARTMENTS, AND PRIVATE PARTNERS

(a) To ensure the Workforce Investment Board and the Commissioner of Labor are able to fully perform their duties under this chapter, each agency and department within State government, and each person who receives funding from the State, shall comply within a reasonable period of time with a request for data and information made by the Board or the Commissioner in furtherance of their duties under this chapter.

(b) The Agency of Commerce and Community Development shall coordinate its work in adopting a statewide economic development plan with the activities of the Board and the Commissioner of Labor, including the development and implementation of the state plan for workforce education and training required under the Workforce Investment Act of 1998.

§ 542. REGIONAL WORKFORCE ~~DEVELOPMENT~~ EDUCATION AND TRAINING

(a) The Commissioner of Labor, in coordination with the Secretary of Commerce and Community Development, and in consultation with the Workforce ~~education and training Council~~ Investment Board, is authorized to issue performance grants to one or more persons to perform workforce education and training activities in a region.

(b) Each grant shall specify the scope of the workforce education and training activities to be performed and the geographic region to be served, and shall include outcomes and measures to evaluate the grantee's performance.

(c) The Commissioner of Labor and the Secretary of Commerce and Community Development shall jointly develop a grant process and eligibility criteria, as well as an outreach process for notifying potential participants of

the grant program. The Commissioner of Labor shall have final authority to approve each grant.

§ 543. WORKFORCE EDUCATION AND TRAINING FUND; GRANT PROGRAMS

(a) Creation. There is created a Workforce Education and Training Fund in the ~~department of labor~~ Department of Labor to be managed in accordance with 32 V.S.A. chapter 7, subchapter 5.

(b) Purposes. The Fund shall be used exclusively for the following ~~two~~ purposes:

(1) training ~~to improve the skills of~~ for Vermont workers, including those who are unemployed, underemployed, or in transition from one job or career to another; and

(2) internships to provide students with work-based learning opportunities with Vermont employers; and

(3) apprenticeship-related instruction.

(c) Administrative Support. Administrative support for the grant award process shall be provided by the ~~Departments~~ Department of Labor ~~and of Economic Development~~. Technical, ~~administrative, financial, and other~~ support shall be provided whenever appropriate and reasonable by the Workforce ~~Development Council~~ Investment Board and all other public entities involved in ~~Economic Development, workforce development and training, and education~~ economic development and workforce education and training.

(d) Eligible Activities. Awards from the Fund shall be made to employers and entities that offer programs that require collaboration between employees and businesses, including private, public, and nonprofit entities, institutions of higher education, high schools, technical centers, and workforce education and training programs. Funding shall be for training programs and student internship programs that offer education, training, apprenticeship, mentoring, or work-based learning activities, or any combination; that employ innovative intensive student-oriented competency-based or collaborative approaches to workforce education and training; and that link workforce education and economic development strategies. Training programs or projects that demonstrate actual increased income and economic opportunity for employees and employers may be funded for more than one year. Student internships and training programs that involve the same employer may be funded multiple times, provided that new students participate.

~~(e) Award Criteria and Process. The Workforce education and training Council, in consultation with the Commissioners of Labor and of Economic Development and the Secretary of Education, shall develop criteria consistent with subsection (d) of this section for making awards under this section. The Commissioners of Labor and of Economic Development and the Secretary of Education, shall develop a process for making awards. [Repealed].~~

(f) Awards. ~~Based on guidelines set by the council, the~~ The Commissioner of labor, and the Secretary of Education Labor, in consultation with the Workforce Investment Board, shall jointly develop award criteria and may make awards to the following:

(1) Training Programs.

~~(A) Public, private, and nonprofit entities for existing or new innovative training programs. Awards may be made to programs that retrain incumbent workers that enhance the skills of Vermont workers and:~~

(i) train workers for trades or occupations that are expected to lead to jobs paying at least 200 percent of the current minimum wage or at least 150 percent if benefits are included; this requirement may be waived when warranted based on regional or occupational wages or economic reality;

(ii) do not duplicate, supplant, or replace other available programs funded with public money;

(iii) articulate clear goals and demonstrate readily accountable, reportable, and measurable results; and

(iv) demonstrate an integrated connection between training and specific new or continuing employment opportunities.

~~(B) Awards under this subdivision shall be made to programs or projects that do all the following:~~

~~(A)(i) offer innovative programs of intensive, student-centric, competency-based education, training, apprenticeship, mentoring, or any combination of these;~~

~~(B)(ii) address the needs of workers who are unemployed, underemployed, or are at risk of becoming unemployed due to changing workplace demands by increasing productivity and developing new skills for incumbent workers; or~~

~~(iii) in the discretion of the Commissioner, otherwise serve the purposes of this chapter.~~

~~(C) train workers for trades or occupations that are expected to lead to jobs paying at least 200 percent of the current minimum wage or at least 150~~

~~percent if benefits are included; this requirement may be waived when warranted based on regional or occupational wages or economic reality;~~

~~(D) do not duplicate, supplant, or replace other available programs funded with public money;~~

~~(E) articulate clear goals and demonstrate readily accountable, reportable, and measurable results;~~

~~(F) demonstrate an integrated connection between training and specific employment opportunities, including an effort and consideration by participating employers to hire those who successfully complete a training program; and~~

(2) Vermont Career Internship Program. Funding for eligible internship programs and activities under the Vermont Career Internship Program established in section 544 of this title.

(3) Apprenticeship Program. The Vermont Apprenticeship Program established under 21 V.S.A. chapter 13. Awards under this subdivision may be used to fund the cost of apprenticeship-related instruction provided by the Department of Labor.

(g) [Repealed.]

§ 544. VERMONT CAREER INTERNSHIP PROGRAM

(a)(1) The Department of Labor, in consultation with the Agency of Education, shall develop and implement a statewide Vermont Career Internship Program for Vermonters who are in high school or in college and for those who are recent graduates of 24 months or less.

(2) The Department of Labor shall coordinate and provide funding to public and private entities for internship programs that match Vermont employers with students from public and private secondary schools, regional technical centers, the Community High School of Vermont, colleges, and recent graduates of 24 months or less.

(3) Funding awarded through the Vermont Career Internship Program may be used to administer an internship program and to provide participants with a stipend during the internship, based on need. Funds may be made only to programs or projects that do all the following:

(A) do not replace or supplant existing positions;

(B) create real workplace expectations and consequences;

(C) provide a process that measures progress toward mastery of skills, attitude, behavior, and sense of responsibility required for success in that workplace;

(D) are designed to motivate and educate secondary and postsecondary students and recent graduates through work-based learning opportunities with Vermont employers that are likely to lead to real employment;

(E) include mechanisms that promote employer involvement with secondary and postsecondary students and curriculum and the delivery of education at the participating schools; and

(F) offer participants a continuum of learning, experience, and relationships with employers that will make it financially possible and attractive for graduates to continue to work and live in Vermont.

(4) ~~For the purposes of~~ As used in this section, “internship” means a learning experience working with an employer where the intern may, but does not necessarily, receive academic credit, financial remuneration, a stipend, or any combination of these.

(b) The Department of Labor, in collaboration with the Agencies of Agriculture, Food and Markets and of Education, ~~state-funded~~ State-funded postsecondary educational institutions, the Workforce ~~Development Council~~ Investment Board, and other ~~state~~ State agencies and departments that have workforce education and training and training monies, shall:

(1) identify new and existing funding sources that may be allocated to the Vermont Career Internship Program;

(2) collect data and establish program goals and quantifiable performance measures for internship programs funded through the Vermont Career Internship Program;

(3) develop or enhance a website that will connect students and graduates with internship opportunities with Vermont employers;

(4) engage appropriate agencies and departments of the State in the Internship Program to expand internship opportunities with State government and with entities awarded State contracts; and

(5) work with other public and private entities to develop and enhance internship programs, opportunities, and activities throughout the State.

Sec. 42. 10 V.S.A. chapter 22 is amended to read:

CHAPTER 22. ~~EMPLOYMENT~~ THE VERMONT
TRAINING PROGRAM

§ 531. ~~EMPLOYMENT~~ THE VERMONT TRAINING PROGRAM

(a)(1) The Secretary of Commerce and Community Development may, in consultation with the Workforce Investment Board, shall have the authority to design and implement a Vermont Training Program, the purpose of which shall be to issue performance-based grants to any employer, consortium of employers, or providers of training, either individuals or organizations, as necessary, to conduct training under the following circumstances: to employers and to education and training providers to increase employment opportunities in Vermont consistent with this chapter.

(2) The Secretary shall structure the Vermont Training Program to serve as a flexible, nimble, and strategic resource for Vermont businesses and workers across all sectors of the economy.

~~(1) when issuing grants to an employer or consortium of employers, the employer promises as a condition of the grant to where eligible facility is defined as in subdivision 212(6) of this title relating to the Vermont Economic Development Authority, or the employer or consortium of employers promises to open an eligible facility within the State which will employ persons, provided that for the purposes of this section, eligible facility may be broadly interpreted to include employers in sectors other than manufacturing; and~~

~~(2) training is required for potential employees, new employees, or long-standing employees in the methods, either singularly or in combination relating to pre-employment training, on-the-job training, upgrade training, and crossover training, or specialized instruction, either in plant or through a training provider.~~

(b) Eligibility for grant. The Secretary of Commerce and Community Development may award a grant to an employer if:

(1) the employer's new or expanded initiative will enhance employment opportunities for Vermont residents; the training is for preemployment, new employees, or incumbent employees in the methods, either singularly or in combination, relating to preemployment training, on-the-job training, upgrade training, crossover training, or specialized instruction, either on-site or through a training provider;

(2) the employer provides its employees with at least three of the following:

- (A) health care benefits with 50 percent or more of the premium paid by the employer;
- (B) dental assistance;
- (C) paid vacation ~~and~~;
- (D) paid holidays;

- ~~(D)~~(E) child care;
- ~~(F)~~ other extraordinary employee benefits;
- ~~(F)~~(G) retirement benefits; and
- (H) other paid time off, including paid sick days;

(3) the training is directly related to the employment responsibilities of the trainee; and

(4) compensation for each trainee at the completion of the training program equals or exceeds the livable wage as defined in 2 V.S.A. § 505, provided that the Secretary shall have the authority to modify this requirement if he or she determines that the employer offers compensation or benefits, the value of which exceeds the compensation and benefit assumptions in the basic needs budget and livable wage calculated pursuant to 2 V.S.A. § 505.

~~(c) The employer promises as a condition of the grant to:~~

~~(1) employ new persons at a wage which, at the completion of the training program, is two times the prevailing state or federal minimum wage, whichever is greater, reduced by the value of any existing health benefit package up to a limit of 30 percent of the gross program wage, or for existing employees, to increase the wage to two times the prevailing state and federal minimum wage, whichever is greater, reduced by the value of any existing health benefit package up to a limit of 20 percent of the gross program wage, upon completion of training; provided, however, that in areas defined by the Secretary of Commerce and Community Development in which the Secretary finds that the rate of unemployment is 50 percent greater than the average for the State, the wage rate under this subsection may be set by the Secretary at a rate no less than one and one half times the federal or state minimum wage, whichever is greater;~~

~~(2) employ persons who have completed the training provided for them and nominated as qualified for a reasonable period at the wages and occupations described in the contract, unless the employer reasonably finds the nominee is not qualified;~~

~~(3) provide its employees with at least three of the following:~~

~~(A) health care benefits with 50 percent or more of the premium paid by the employer;~~

- ~~(B) dental assistance;~~
- ~~(C) paid vacation and holidays;~~
- ~~(D) child care;~~

~~(E) other extraordinary employee benefits; and~~

~~(F) retirement benefits.~~

~~(4) submit a customer satisfaction report to the Secretary of Commerce and Community Development, on a form prepared by the Secretary for that purpose, no more than 30 days from the last day of the training program.~~

In the case of a grant to a training provider, the Secretary shall require as a condition of the grant that the provider shall disclose to the Secretary the name of the employer and the number of employees trained prior to final payment for the training.

(d) In order to avoid duplication of programs or services and to provide the greatest return on investment from training provided under this section, the Secretary of Commerce and Community Development shall:

(1) ~~first~~ consult with the Commissioner of Labor regarding whether the grantee has accessed, or is eligible to access, other workforce education and training resources ~~offered by public or private workforce education and training partners;~~

(2) disburse grant funds only for training hours that have been successfully completed by employees; provided that a grant for on-the-job training shall either provide not more than 50 percent of wages for each employee in training, or not more than 50 percent of trainer expense, but not both, and further provided that training shall be performed in accordance with a training plan that defines the subject of the training, the number of training hours, and how the effectiveness of the training will be evaluated; and

(3) use funds under this section only to supplement training efforts of employers and not to replace or supplant training efforts of employers.

~~(e) The Secretary of Commerce and Community Development shall administer all training programs under this section, may select and use providers of training as appropriate, and shall adopt rules and may accept services, money, or property donated for the purposes of this section. The Secretary may promote awareness of, and may give priority to, training that enhances critical skills, productivity, innovation, quality, or competitiveness, such as training in Innovation Engineering, "Lean" systems, and ISO certification for expansion into new markets. [Repealed.]~~

(f) Upon completion of the training program for any individual, the secretary of Commerce and Community Development shall review the records and shall award to the trainee, if appropriate, a certificate of completion for the training.

~~(g) None of the criteria in subdivision (a)(1) of this section shall apply to a designated job development zone under chapter 29, subchapter 2 of this title. [Repealed.]~~

~~(h) The Secretary may designate the Commissioner of Economic Development to carry out his or her powers and duties under this chapter. [Repealed.]~~

~~(i) Program Outcomes:~~

~~(1) On or before September 1, 2011, the Agency of Commerce and Community Development, in coordination with the department of labor, and in consultation with the Workforce education and training Council and the legislative Joint Fiscal Office, shall develop, to the extent appropriate, a common set of benchmarks and performance measures for the training program established in this section and the Workforce Education and Training Fund established in section 543 of this title, and shall collect employee specific data on training outcomes regarding the performance measures; provided, however, that the Secretary shall redact personal identifying information from such data.~~

~~(2) On or before January 15, 2013, the Joint Fiscal Office shall prepare a performance report using the benchmarks and performance measures created pursuant to subdivision (1) of this subsection. The Joint Fiscal Office shall submit its report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development.~~

~~(3) The Secretary shall use information gathered pursuant to this subsection and customer satisfaction reports submitted pursuant to subdivision (e)(4) of this section to evaluate the program and make necessary changes that fall within the Secretary's authority or, if beyond the scope of the Secretary's authority, to recommend necessary changes to the appropriate committees of the General Assembly. [Repealed.]~~

~~(j) Consistent with the training program's goal of providing specialized training and increased employment opportunities for Vermonters, and notwithstanding provisions of this section to the contrary, the Secretary shall canvas apprenticeship sponsors to determine demand for various levels of training and classes and shall transfer up to \$250,000.00 annually to the regional technical centers to fund or provide supplemental funding for apprenticeship training programs leading up to certification or licensing as journeyman or master electricians or plumbers. The Secretary shall seek to provide these funds equitably throughout Vermont; however, the Secretary shall give priority to regions not currently served by apprenticeship programs~~

~~offered through the Vermont Department of Labor pursuant to 21 V.S.A. chapter 13. [Repealed].~~

(k) Annually on or before January 15, the Secretary shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs ~~summarizing. In addition to the reporting requirements under section 540 of this title, the report shall identify:~~

~~(1) all active and completed contracts and grants;~~

~~(2) the types of training activities provided, from among the following, the category the training addressed:~~

~~(A) preemployment training or other training for a new employee to begin a newly created position with the employer;~~

~~(B) preemployment training or other training for a new employee to begin in an existing position with the employer;~~

~~(C) training for an incumbent employee who, upon completion of training, assumes a newly created position with the employer;~~

~~(D) training for an incumbent employee who upon completion of training assumes a different position with the employer;~~

~~(E) training for an incumbent employee to upgrade skills;~~

~~(3) for the training identified in subdivision whether the training is onsite or classroom-based;~~

~~(4) the number of employees served, and ;~~

~~(5) the average wage by employer, and addressing;~~

~~(6) any waivers granted;~~

~~(7) the identity of the employer, or, if unknown at the time of the report, the category of employer;~~

~~(8) the identity of each training provider; and~~

~~(9) whether training results in a wage increase for a trainee, and the amount of increase.~~

Sec. 43. REPEAL

2007 Acts and Resolves No. 46, Sec. 6(a), as amended by 2009 Acts and Resolves No. 54, Sec. 8 (workforce education and training leader) and 2013 Acts and Resolves No. 81, Sec. 2, is repealed.

Sec. 44. DEPARTMENT OF LABOR; AGENCY OF COMMERCE AND
COMMUNITY DEVELOPMENT; STATUTORY PROPOSALS

On or before November 1, 2014:

(1) The Commissioner of Labor shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a proposal to amend the language of 10 V.S.A. § 543 to reflect best practices and improve clarity in the administration of, and for applicants to, the grant program from the Workforce Education and Training Fund under that section.

(2) The Secretary of Commerce and Community Development shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a proposal to amend the language of 10 V.S.A. § 531 to reflect best practices and improve clarity in the administration of, and for applicants to, the Vermont Training Program under that section.

Sec. 45. INTERNSHIP OPPORTUNITIES FOR YOUNG PERSONS

On or before January 15, 2015, the Commissioner of Labor shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a report that details the internship opportunities available to Vermonters between 15 and 18 years of age and recommends one or more means to expand these opportunities through the Vermont Career Internship Program, 10 V.S.A. § 544, or through other appropriate mechanisms.

* * * Vermont Strong Scholars Program * * *

Sec. 46. 16 V.S.A. chapter 90 is redesignated to read:

CHAPTER 90. FUNDING OF POSTSECONDARY INSTITUTIONS
EDUCATION

Sec. 47. 16 V.S.A. § 2888 is added to read:

§ 2888. VERMONT STRONG SCHOLARS AND INTERNSHIP

INITIATIVE

(a) Creation.

(1) There is created a postsecondary loan forgiveness and internship initiative designed to forgive a portion of Vermont Student Assistance Corporation loans of students employed in economic sectors identified as important to Vermont's economy and to build internship opportunities for students to gain work experience with Vermont employers.

(2) The initiative shall be known as the Vermont Strong Scholars and Internship Initiative and is designed to:

(A) encourage students to:

(i) consider jobs in economic sectors that are critical to the Vermont economy;

(ii) enroll and remain enrolled in a Vermont postsecondary institution; and

(iii) live in Vermont upon graduation;

(B) reduce student loan debt for postsecondary education in targeted fields;

(C) provide experiential learning through internship opportunities with Vermont employers; and

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

(b) Vermont Strong Loan Forgiveness Program.

(1) Economic sectors; projections.

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

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

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

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

(B) enrolled in a postsecondary institution on or after July 1, 2015 and completed an associate's degree within three years, or a bachelor's degree within six years;

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

(D) remains employed in Vermont throughout the period of loan forgiveness in an economic sector identified by the Secretary and Commissioner under subdivision (1) of this subsection; and

(E) remains a Vermont resident throughout the period of loan forgiveness.

(3) Loan forgiveness. An eligible individual shall have a portion of his or her Vermont Student Assistance Corporation loan forgiven as follows:

(A) for an individual awarded an associate's degree, in an amount equal to the comprehensive in-state tuition rate for 15 credits at the Vermont State Colleges during the individual's final semester of enrollment, to be prorated over the three years following graduation; and

(B) for an individual awarded a bachelor's degree, in an amount equal to the comprehensive in-state tuition rate for 30 credits at the Vermont State Colleges during the individual's final year of enrollment, to be prorated over the five years following graduation.

(C) Loan forgiveness may be awarded on a prorated basis to an otherwise eligible Vermont resident who transfers to and is graduated from a Vermont postsecondary institution.

(4) Management.

(A) The Secretary of Commerce and Community Development shall develop all organizational details of the loan forgiveness program consistent with the purposes and requirements of this section.

(B) The Secretary shall enter into a memorandum of understanding with the Vermont Student Assistance Corporation for management of the loan forgiveness program.

(C) The Secretary may adopt rules pursuant to 3 V.S.A. chapter 25 necessary to implement the Program.

(c) Vermont Strong Internship Program.

(1) Internship program management.

(A) The Commissioner of Labor and the Secretary of Commerce and Community Development shall jointly develop and implement the organizational details of the internship program consistent with the purposes and requirements of this section and may adopt rules pursuant to 3 V.S.A. chapter 25 necessary to implement the internship program.

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

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

(D) The Program Intermediary shall:

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

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

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

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

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

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

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

(2) Qualifying internships.

(A) Criteria. To qualify for participation in the internship program an internship shall at minimum:

(i) be with a Vermont employer as approved by the Intermediary in consultation with the Commissioner and Secretary;

(ii) pay compensation to an intern of at least the prevailing minimum wage; and

(iii) meet the quality standards and expectations as established by the Intermediary.

(B) Employment of interns. Interns shall be employed by the sponsoring employer except, with the approval of the Commissioner on a case-by-case basis, interns may be employed by the Intermediary and assigned to work with a participating Vermont employer, in which case the sponsoring employer shall contribute funds as determined by the Commissioner.

(3) Student eligibility. To participate in the internship program an individual shall be:

(A) a Vermont resident enrolled in a post-secondary institution in or outside Vermont;

(B) a student who graduated from a postsecondary institution within 24 months of entering the program who was classified as a Vermont resident during that schooling or who is a student who attended a post-secondary institution in Vermont; or

(C) a student enrolled in a Vermont post-secondary institution.

(d) Funding.

(1) Loan forgiveness program.

(A) Loan forgiveness; State funding.

(i) There is created a special fund to be known as the Vermont Strong Scholars Fund pursuant to 32 V.S.A. chapter 7, subchapter 5, which shall be used and administered by the Secretary of Commerce and Community Development solely for the purposes of loan forgiveness pursuant to this section.

(ii) The Fund shall consist of sums to be identified by the Secretary from any source accepted for the benefit of the Fund and interest earned from the investment of Fund balances.

(iii) Any interest earned and any remaining balance at the end of the fiscal year shall be carried forward in the Fund.

(iv) The availability and payment of loan forgiveness awards under this subdivision is subject to State funding available for the awards.

(B) Loan forgiveness; Vermont Student Assistance Corporation.

The Vermont Student Assistance Corporation shall have the authority to grant loan forgiveness pursuant to this section by using the private loan forgiveness

capacity associated with bonds issued by the Corporation to raise funds for private loans that are eligible for forgiveness under this section, if available.

(2) Internship program. Notwithstanding any provision of law to the contrary, the Commissioner of Labor shall have the authority to use funds allocated to the Workforce Education and Training Fund established in 10 V.S.A. § 543 to implement the internship program created in this section.

Sec. 48. VERMONT STRONG INTERIM REPORT

On or before November 1, 2014, the Secretary of Commerce and Community Development shall report to the Joint Fiscal Committee on the organizational and economic details of the Vermont Strong Scholars Initiative, including:

(1) the economic sectors selected for loan forgiveness;

(2) the projected annual cost of the Initiative,

(3) the proposed funding sources;

(4) programmatic proposals and economic projections on the feasibility and impacts of expanding eligibility for the loan forgiveness program to include Vermont residents who attend postsecondary institutions outside of Vermont and out-of-state residents who attend Vermont postsecondary institutions; and

(5) the projected balance of the Vermont Strong Scholars Fund for each fiscal year through fiscal year 2018.

Sec. 49. VERMONT PRODUCTS PROGRAM; STUDY; REPORT

(a) The Secretary of Commerce and Community Development, the Secretary of Agriculture, Food and Markets, and the Vermont Attorney General, shall collaborate to identify the issues, stakeholders, and processes necessary to consider whether and how to:

(1) provide Vermont businesses with a means of promoting and marketing products and services that are manufactured, designed, engineered, or formulated in Vermont and to avoid confusion by consumers when the Vermont brand is used in marketing products or services; and

(2) harmonize the Vermont origin rule, the Made in Vermont initiative, the proposed Vermont Products Program or similar initiative, and any other programs or initiatives the Secretaries and the Attorney General determine would be appropriate for such consideration.

(b) On or before September 1, 2015, the Secretaries and the Attorney General shall submit a report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on

Commerce and Economic Development on their findings and recommendations including:

(1) a licensing system, including the potential for self-certification, for products and services that are manufactured, designed, engineered, or formulated in Vermont;

(2) branding and marketing guidelines that concern whether and how qualifying products or services manufactured, designed, engineered, or formulated in Vermont can be properly claimed so as to be licensed;

(3) an appropriate annual fee for the issuance of a license;

(4) an application process; and

(5) a dispute resolution process.

* * * Workers' Compensation * * *

Sec. 50. 21 V.S.A. § 632 is amended to read:

§ 632. COMPENSATION TO DEPENDENTS; ~~DEATH BENEFITS~~
BURIAL AND FUNERAL EXPENSES

If death results from the injury, the employer shall pay to the persons entitled to compensation or, if there is none, then to the personal representative of the deceased employee, the actual burial and funeral expenses ~~in the amount of \$5,500.00~~ not to exceed \$10,000.00 and the actual expenses for out-of-state transportation of the decedent to the place of burial ~~not to exceed \$1,000.00~~ \$5,000.00. Every two years, the Commissioner of Labor shall evaluate the average burial and funeral expenses in the State and make a recommendation to the House Committee on Commerce and Economic Development and the Senate Committee on Finance as to whether an adjustment in compensation is warranted. The employer shall also pay to or for the benefit of the following persons, for the periods prescribed in section 635 of this title, a weekly compensation equal to the following percentages of the deceased employee's average weekly wages. The weekly compensation payment herein allowed shall not exceed the maximum weekly compensation or be lower than the minimum weekly compensation:

* * *

Sec. 51. 21 V.S.A. § 639 is amended to read:

§ 639. DEATH, PAYMENT TO DEPENDENTS

In cases of the death of a person from any cause other than the accident during the period of payments for disability or for the permanent injury, the remaining payments for disability then due or for the permanent injury shall be made to the person's dependents according to the provisions of sections 635

and 636 of this title, or if there are none, the remaining amount due, but ~~not exceeding \$5,500.00 for burial and funeral expenses~~ no more than the actual burial and funeral expenses not to exceed \$10,000.00 and the actual expenses for out-of-state transportation of the decedent to the place of burial not to exceed \$1,000.00 \$5,000.00, shall be paid in a lump sum to the proper person. Every two years, the Commissioner of Labor shall evaluate the average burial and funeral expenses in the State and make a recommendation to the House Committee on Commerce and Economic Development and the Senate Committee on Finance as to whether an adjustment in compensation is warranted.

Sec. 52. 21 V.S.A. § 640c is added to read:

§ 640c. OPIOID USAGE DETERRENCE

(a) In support of the State's fundamental interest in ensuring the well-being of employees and employers, it is the intent of the General Assembly to protect employees from the dangers of prescription drug abuse while maintaining a balance between the employee's health and the employee's expedient return to work.

(b) As it pertains to workers' compensation claims, the Commissioner of Labor, in consultation with the Department of Health, the State Pharmacologist, the Vermont Board of Medical Practice, and the Vermont Medical Society, shall adopt rules, consistent with the best practices, governing the prescription of opioids, including patient screening and drug screening for patients prescribed opioids for chronic pain. In adopting rules, the Commissioner shall consider guidelines and standards published by the American College of Occupational and Environmental Medicine and other medical authorities with expertise in the treatment of chronic pain. The rules shall be consistent with the standards and guidelines provided under 18 V.S.A. § 4289 and any rules adopted by the Department of Health pursuant to 18 V.S.A § 4289.

Sec. 53. 21 V.S.A. § 641 is amended to read:

§ 641. VOCATIONAL REHABILITATION

* * *

(e)(1) In support of the State's fundamental interest in ensuring the well-being of employees and employers, it is the intent of the General Assembly that, following a workplace accident, an employee returns to work as soon as possible but remains cognizant of the limitations imposed by his or her medical condition.

(2) The Commissioner shall adopt rules promoting development and implementation of cost-effective, early return-to-work programs.

Sec. 54. 21 V.S.A. § 643a is amended to read:

§ 643a. DISCONTINUANCE OF BENEFITS

Unless an injured worker has successfully returned to work, an employer shall notify both the Commissioner and the employee prior to terminating benefits under either section 642 or 646 of this title. The notice of intention to discontinue payments shall be filed on forms prescribed by the Commissioner and shall include the date of the proposed discontinuance, the reasons for it, and, if the employee has been out of work for 90 days, a verification that the employer offered vocational rehabilitation screening and services as required under this chapter. All relevant evidence, including evidence that does not support discontinuance in the possession of the employer ~~not already filed, shall be filed with the notice~~ shall be provided to the injured worker. With the notice of discontinuance, the employer shall file only evidence relevant to the discontinuance, including evidence that does not support the discontinuance, with the Commissioner. The liability for the payments shall continue for seven days after the notice is received by the Commissioner and the employee. If the claimant disputes the discontinuance, the claimant may file with the Commissioner an objection to the discontinuance and seek an extension of the seven-day limit. The Commissioner may grant an extension up to seven days. The request for an extension shall be specific as to the reason for the extension and must be received by the Commissioner prior to the end of the seven-day limit. A copy of the request for an extension shall be provided to the employer at the time the request is made to the Commissioner. Those payments shall be made without prejudice to the employer and may be deducted from any amounts due pursuant to section 648 of this title if the Commissioner determines that the discontinuance is warranted or if otherwise ordered by the Commissioner. Every notice shall be reviewed by the Commissioner to determine the sufficiency of the basis for the proposed discontinuance. If, after review of all the evidence in the file, the Commissioner finds that a preponderance of all the evidence in the file does not reasonably support the proposed discontinuance, the Commissioner shall order that payments continue until a hearing is held and a decision is rendered. Prior to a formal hearing, an injured worker may request reinstatement of benefits by providing additional new evidence to the Department that establishes that a preponderance of all evidence now supports the claim. If the Commissioner's decision, after a hearing, is that the employee was not entitled to any or all benefits paid between the discontinuance and the final decision, upon request of the employer, the Commissioner may order that the employee repay all benefits to

which the employee was not entitled. The employer may enforce a repayment order in any court of law having jurisdiction.

Sec. 55. 21 V.S.A. § 691a is added to read:

§ 691a. POSTING OF SAFETY RECORDS

(a) In support of the State's fundamental interest in ensuring the well-being of employees and employers, it is the intent of the General Assembly to improve the safety experience in the workplace.

(b) An employer subject to the provisions of this chapter shall post a notice in the employer's place of business to advise employees of where they may review the employer's record of workplace safety, including workplace injury and illness data, in accordance with rules adopted by the Commissioner. The employer's record of workplace safety, including workplace injury and illness data, shall be available for review by employees at the employer's place of business and the Commissioner, but shall not otherwise be public information. The posting shall be in a format approved by the Commissioner. The posting may be in a format provided by the Commissioner.

Sec. 56. 21 V.S.A. § 696 is amended to read:

§ 696. CANCELLATION OF INSURANCE CONTRACTS

A policy or contract shall not be cancelled within the time ~~limited~~ specified in the policy or contract for its expiration, until at least 45 days after a notice of intention to cancel the policy or contract, on a date specified in the notice, has been filed in the office of the ~~commissioner~~ Commissioner and provided to the employer. The notice shall be filed with the Commissioner in accordance with rules adopted by the Commissioner and provided to the employer by certified mail ~~or certificate of mailing~~. The cancellation shall not affect the liability of an insurance carrier on account of an injury occurring prior to cancellation.

Sec. 57. 21 V.S.A. § 697 is amended to read:

§ 697. NOTICE OF INTENT NOT TO RENEW POLICY

An insurance carrier who does not intend to renew a workers' compensation insurance policy ~~of workers' compensation insurance~~ or guarantee contract covering the liability of an employer under the provisions of this chapter, ~~45 days prior to the expiration of the policy or contract~~, shall give notice of ~~the~~ its intention to the ~~commissioner of labor~~ Commissioner and ~~to~~ the covered employer at least 45 days prior to the expiration date stated in the policy or contract. The notice shall be given to the employer by certified mail ~~or certificate of mailing~~. An insurance carrier who fails to give notice shall continue the policy or contract in force beyond its expiration date for 45 days from the day the notice is received by the ~~commissioner~~ Commissioner and the

employer. However, this latter provision shall not apply if, prior to such expiration date, on or before the expiration of the existing insurance or guarantee contract the insurance carrier has, by delivery of a renewal contract or otherwise, offered to continue the insurance beyond the date by delivery of a renewal contract or otherwise, or if the employer notifies the insurance carrier in writing that the employer does not wish the insurance continued beyond the expiration date, or if the employer complies with the provisions of section 687 of this title, on or before the expiration of the existing insurance or guarantee contract then the policy will expire upon notice to the Commissioner.

Sec. 58. ROBERT H. WOOD CRIMINAL JUSTICE AND FIRE SERVICE TRAINING CENTER STUDY

The Department of Labor and the Office of Risk Management, in consultation with the Vermont League of Cities and Towns and any other interested parties, shall conduct a study, to be submitted to the House Committee on Commerce and Economic Development and the Senate Committee on Finance on or before January 15, 2015, to:

(1) analyze existing and frequently occurring injuries suffered by individuals while attending the Robert H. Wood Criminal Justice and Fire Service Training Center;

(2) analyze preventive measures to avoid injuries;

(3) recommend who should bear the financial burden of the workers' compensation premiums; and

(4) recommend preventive measures necessary to reduce injuries.

Sec. 59. WORKPLACE SAFETY RANKING STUDY

The Department of Labor and the Department of Financial Regulation, in consultation with the *National Council on Compensation Insurance*, shall study whether information may be made available to employers to allow an employer to compare its workplace safety and workers' compensation experience with that of employers in similar industries or *North American Industry Classification System* codes.

Sec. 60. 2013 Acts and Resolves No. 75, Sec. 14 is amended as follows:

Sec. 14. UNIFIED PAIN MANAGEMENT SYSTEM ADVISORY COUNCIL

* * *

(b) The Unified Pain Management System Advisory Council shall consist of the following members:

* * *

-
- (4) the Commissioner of Labor or designee;
- (5) the Director of the Blueprint for Health or designee;
- ~~(5)~~(6) the Chair of the Board of Medical Practice or designee, who shall be a clinician;
- ~~(6)~~(7) a representative of the Vermont State Dental Society, who shall be a dentist;
- ~~(7)~~(8) a representative of the Vermont Board of Pharmacy, who shall be a pharmacist;
- ~~(8)~~(9) a faculty member of the academic detailing program at the University of Vermont's College of Medicine;
- ~~(9)~~(10) a faculty member of the University of Vermont's College of Medicine with expertise in the treatment of addiction or chronic pain management;
- ~~(10)~~(11) a representative of the Vermont Medical Society, who shall be a primary care clinician;
- ~~(11)~~(12) a representative of the American Academy of Family Physicians, Vermont chapter, who shall be a primary care clinician;
- ~~(12)~~(13) a representative from the Vermont Board of Osteopathic Physicians, who shall be an osteopath;
- ~~(13)~~(14) a representative of the Federally Qualified Health Centers, who shall be a primary care clinician selected by the Bi-State Primary Care Association;
- ~~(14)~~(15) a representative of the Vermont Ethics Network;
- ~~(15)~~(16) a representative of the Hospice and Palliative Care Council of Vermont;
- ~~(16)~~(17) a representative of the Office of the Health Care Ombudsman;
- ~~(17)~~(18) the Medical Director for the Department of Vermont Health Access;
- ~~(18)~~(19) a clinician who works in the emergency department of a hospital, to be selected by the Vermont Association of Hospitals and Health Systems in consultation with any nonmember hospitals;
- ~~(19)~~(20) a member of the Vermont Board of Nursing Subcommittee on APRN Practice, who shall be an advanced practice registered nurse;
- ~~(20)~~(21) a representative from the Vermont Assembly of Home Health and Hospice Agencies;

~~(21)~~(22) a psychologist licensed pursuant to 26 V.S.A. chapter 55 who has experience in treating chronic pain, to be selected by the Board of Psychological Examiners;

~~(22)~~(23) a drug and alcohol abuse counselor licensed pursuant to 33 V.S.A. chapter 8, to be selected by the Deputy Commissioner of Health for Alcohol and Drug Abuse Programs;

~~(23)~~(24) a retail pharmacist, to be selected by the Vermont Pharmacists Association;

~~(24)~~(25) an advanced practice registered nurse full-time faculty member from the University of Vermont's Department of Nursing; and

~~(25)~~(26) a consumer representative who is either a consumer in recovery from prescription drug abuse or a consumer receiving medical treatment for chronic noncancer-related pain;

(27) a clinician who specializes in occupational medicine or physical medicine and rehabilitation; and

(28) a consumer representative who is or has been an injured worker and has been prescribed opioids.

* * *

* * * Prevailing Wages; State Construction Projects * * *

Sec. 61. 29 V.S.A. § 161 is amended to read:

§ 161. REQUIREMENTS ON STATE CONSTRUCTION PROJECTS

* * *

(b) Each contract awarded under this section for ~~any State project with a construction cost exceeding \$100,000.00 and~~ construction projects which ~~is~~ are authorized or funded in whole or in part by a capital construction act pursuant to 32 V.S.A. § 701a, including such a project of the University of Vermont and State Agricultural College and of the Vermont State Colleges, shall provide that all construction employees working on the project shall be paid no less than the ~~mean~~ mean prevailing wage ~~published periodically by the Department of Labor in its occupational employment and wage survey determinations as have been made by the Secretary of the U.S. Department of Labor in accordance with the Davis-Bacon Act, 40 U.S.C. § 276a, as may be amended. The Commissioner of Labor, in consultation with the Commissioner of Buildings and General Services, may adopt rules as necessary, pursuant to 3 V.S.A. chapter 25, to implement this subsection. This section does not require that the federal Davis-Bacon Act reporting requirements be applied to State construction projects.~~

* * *

Sec. 62. STATE CONSTRUCTION PROJECTS; CONTRACTS SUBJECT TO STATE PREVAILING WAGE

(a) It is the intent of the General Assembly that the transition to the use of the prevailing wage determinations as have been made by the Secretary of the U.S. Department of Labor in accordance with the Davis-Bacon Act, 40 U.S.C. § 276a, as may be amended, in State construction projects shall not change the scope of State construction projects that are subject to the requirements of 29 V.S.A. § 161(b).

(b) Notwithstanding Sec. 1 of this act, the following contracts shall remain subject to the mean prevailing wage published periodically by the Vermont Department of Labor in its occupational employment and wage survey:

(1) contracts for State construction projects executed prior to July 1, 2015;

(2) any change orders or amendments to contracts for State construction projects executed prior to July 1, 2015; and

(3) contracts for State construction projects that result from instructions to bidders posted by the State of Vermont prior to July 1, 2015.

Sec. 63. PREVAILING WAGE; UNIVERSITY OF VERMONT AND VERMONT STATE COLLEGES

The University of Vermont and State Agricultural College and the Vermont State Colleges shall pay no less than the prevailing wage determinations as have been made by the Secretary of the U.S. Department of Labor in accordance with the Davis-Bacon Act, 40 U.S.C. § 276a, as may be amended, for any new construction or major renovation project that receives funding in any capital construction act.

* * * Effective Dates * * *

Sec. 64. EFFECTIVE DATES

(a) This section, Secs. 20a (Public Service Board; order revision), 52, 53, 58, 59, and 60 (certain workers' compensation provisions) shall take effect on passage.

(b) 16 V.S.A. § 2888(b)(3) (Vermont Strong loan forgiveness) in Sec. 47 and Secs. 61-63 shall take effect on July 1, 2015.

(c) The remainder of this act shall take effect on July 1, 2014.

Thereupon, **Rep. Terenzini of Rutland Town** asked that the question be divided and Secs. 61,62 and 63 be taken up first and the remaining Secs. be taken up second.

Pending the question, Shall the House propose to the Senate to amend the bill as offered by Rep. Botzow of Pownal in sections 61, 62, 63? **Rep. Terenzini of Rutland Town** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House propose to the Senate to amend the bill as offered by Rep. Botzow of Pownal in sections 61, 62, 63? was decided in the affirmative. Yeas, 76. Nays, 45.

Those who voted in the affirmative are:

Ancel of Calais	Head of South Burlington	Partridge of Windham
Bartholomew of Hartland	Heath of Westford	Pearson of Burlington
Bissonnette of Winooski	Hoopier of Montpelier	Poirier of Barre City
Botzow of Pownal	Huntley of Cavendish	Potter of Clarendon
Burke of Brattleboro	Jerman of Essex	Pugh of South Burlington
Buxton of Tunbridge	Jewett of Ripton	Rachelson of Burlington
Campion of Bennington	Johnson of South Hero	Ralston of Middlebury
Christie of Hartford	Keenan of St. Albans City	Ram of Burlington
Clarkson of Woodstock	Kitzmiller of Montpelier	Russell of Rutland City
Cole of Burlington	Klein of East Montpelier	Ryerson of Randolph
Connor of Fairfield	Krowinski of Burlington	Sharpe of Bristol
Copeland-Hanzas of Bradford	Lanpher of Vergennes	South of St. Johnsbury
Cross of Winooski	Lenes of Shelburne	Spengler of Colchester
Dakin of Chester	Lippert of Hinesburg	Stevens of Waterbury
Davis of Washington	Macaig of Williston	Stuart of Brattleboro
Deen of Westminster	Malcolm of Pawlet	Sweaney of Windsor
Ellis of Waterbury	Marek of Newfane	Till of Jericho
Emmons of Springfield	Masland of Thetford	Toll of Danville
Evans of Essex	McCormack of Burlington	Townsend of South Burlington
Fay of St. Johnsbury	McCullough of Williston	Waite-Simpson of Essex
Fisher of Lincoln	Michelsen of Hardwick	Walz of Barre City
Frank of Underhill	Miller of Shaftsbury	Weed of Enosburgh
French of Randolph	Mook of Bennington	Woodward of Johnson
Gallivan of Chittenden	Moran of Wardsboro	Yantachka of Charlotte
Haas of Rochester	Mrowicki of Putney	Young of Glover
	Nuovo of Middlebury	

Those who voted in the negative are:

Batchelor of Derby	Consejo of Sheldon	Fagan of Rutland City
Beyor of Highgate	Corcoran of Bennington	Feltus of Lyndon
Bouchard of Colchester	Cupoli of Rutland City	Gage of Rutland City
Brennan of Colchester	Devereux of Mount Holly	Goodwin of Weston
Browning of Arlington	Dickinson of St. Albans Town	Greshin of Warren
Canfield of Fair Haven	Donahue of Northfield	Hebert of Vernon
Condon of Colchester		Helm of Fair Haven

Higley of Lowell	Marcotte of Coventry	Smith of New Haven
Hubert of Milton	McFaun of Barre Town	Terenzini of Rutland Town
Johnson of Canaan	Morrissey of Bennington	Turner of Milton *
Juskiewicz of Cambridge	Myers of Essex	Van Wyck of Ferrisburgh
Kilmartin of Newport City	Pearce of Richford	Wilson of Manchester
Koch of Barre Town	Quimby of Concord	Winters of Williamstown
Komline of Dorset	Savage of Swanton	Wright of Burlington
Larocque of Barnet	Scheuermann of Stowe	
Lewis of Berlin	Shaw of Pittsford	

Those members absent with leave of the House and not voting are:

Branagan of Georgia	Kupersmith of South	Peltz of Woodbury
Burditt of West Rutland	Burlington	Shaw of Derby
Carr of Brandon	Lawrence of Lyndon	Stevens of Shoreham
Conquest of Newbury	Manwaring of Wilmington	Strong of Albany
Donaghy of Poultney	Martin of Springfield	Toleno of Brattleboro
Donovan of Burlington	Martin of Wolcott	Trieber of Rockingham
Grad of Moretown	McCarthy of St. Albans City	Vowinkel of Hartford
Hoyt of Norwich	Mitchell of Fairfax	Webb of Shelburne
Krebs of South Hero	O'Brien of Richmond	Wizowaty of Burlington
	O'Sullivan of Burlington	Zagar of Barnard

Rep. Turner of Milton explained his vote as follows:

“Mr. Speaker:

Including sections 61-63 prevailing wage language in this strike all amendment is likely to put Vermont’s smaller contractors at a competitive disadvantage when bidding on state projects and reduce the number of projects the state’s capital dollars can purchase by \$3 million dollars annually. Who is the beneficiary?”

Thereupon, the remaining Secs. of the proposal of amendment offered by **Rep. Botzow of Pownal** were agreed to.

On motion of **Rep. Turner of Milton**, the rules were suspended and the bill was ordered messaged to the Senate forthwith.

Adjournment

At seven o'clock and forty-seven minutes in the evening, on motion of **Rep. Turner of Milton**, the House adjourned until tomorrow at ten o'clock in the forenoon.