



**STATE OF VERMONT**

**DRAFT 2.1 1/8/14 @ 8:19 AM**

**MEMORANDUM**

To: Rep. Martha Heath, Chair, House Committee on Appropriations  
From: Rep. Bill Botzow, Chair, House Committee on Commerce and Economic Development  
Date: January 8, 2014  
Subject: Commerce Issues in the Governor's Proposed 2014 Budget Adjustment

The House Committee on Commerce and Economic Development has reviewed the following provisions of the Governor's Proposed FY 2014 Budget and respectfully submits its responses below based on the unanimous agreement of the Committee:

**1. Sec. 64 – \$100,000.00 increase in USF funds available to provide technical assistance and guidance to school districts to comply with E911 address requirements**

The Committee heard from representatives from Vermont E911, schools, and public safety officials regarding the need for increased funding to clearly establish points of contact within schools for E911 communications. The Committee notes that questions remain on how private and independent schools fit within the E911 framework for public schools, and expresses its policy position that, to the extent funding for school systems is limited, priority should be given to serve areas within buildings and facilities where children are present. With these considerations in mind, the Committee supports the proposed increase in funding.

**2. Spending authority to the Agency of Commerce and Community Development for funds contributed by the operators of Vermont Yankee to promote economic development in Windham County**

The Committee heard testimony from both the Agency and from the directors of the regional planning commission and regional development corporation for Windham County concerning their ongoing efforts to prepare for the closure of the Vermont Yankee nuclear power plant in December of this year. These partners have been working together through the Southeastern Vermont Economic Development Strategies

organization to prepare a plan (CEDS) for economic development in the region, and in particular, to support the area following the closure of the VY plant.

The Agency of Commerce and Community Development, through budget adjustment, requests authority to spend up to \$500,000.00 beginning April 1, 2014, and to reserve to the regular budget process any future possible modifications to its authority over the remaining \$9,500,000.00 in funds proposed to be contributed in increments on each April 1 in each of the next five years pursuant to the Settlement Agreement between the State and Entergy, which is currently pending approval before the Public Service Board. If the Agreement is not approved these funds will not become available and the requested authority will be moot. If, however, the Agreement is approved it is critically important that the Agency and its partners have the authority to respond nimbly and with flexibility to implement their economic development plans for the region. Further, though the Settlement Agreement is expressly limited to initiatives in Windham County, the Agency and partners are working with neighboring counties to help mitigate the impacts of VY closure in the areas beyond Windham County.

The Committee finds that these funds will help provide the capacity to implement the early elements of the CEDS plan in Windham County. The Committee also expresses its policy position that, given the substantial amount of resources that may become available to the Windham County region from the Settlement Agreement, it is especially important that the expenditures for workforce and economic development from these funds not duplicate efforts of other departments and agencies.

In light of the foregoing, the Committee supports a grant of spending authority to the Agency of Commerce and Community Development consistent with its request and the provisions of the Settlement Agreement.