

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Commerce and Economic Development to which was  
3 referred Senate Bill No. 220 entitled “An act relating to furthering economic  
4 development” respectfully reports that it has considered the same and  
5 recommends that the House propose to the Senate that the bill be amended by  
6 striking all after the enacting clause and inserting in lieu thereof the following:

7 \* \* \* One-Stop Business Support Services \* \* \*

8 Sec. 1. ONE-STOP SHOP WEB PORTAL

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

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

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

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

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

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

20 (b) Administration. On or before June 30, 2015, the Secretary of State,  
21 Department of Taxes, Department of Labor, the Vermont Attorney General,

1 the Agency of Commerce and Community Development, and the Agency of  
2 Administration shall coordinate with other relevant agencies and departments  
3 within State government and outside partners, including regional development  
4 corporations, regional planning commissions, and small business development  
5 centers, to provide comprehensive business services, regional coaching teams,  
6 print materials, other outreach, and a “One-Stop Shop” website, consistent with  
7 the following timeline:

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

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

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

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

1                                   \* \* \* Vermont Enterprise Investment Fund \* \* \*

2           Sec. 1A. 32 V.S.A. § 136 is added to read:

3           § 136. VERMONT ENTERPRISE INVESTMENT FUND

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

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

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

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

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

19           (c) The Governor is authorized to use amounts available in the Fund to  
20           offer economic and financial resources to an eligible business pursuant to this

1 section, subject to approval by the Emergency Board as provided in subsection  
2 (e) of this section.

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

5 (1) adequately demonstrates:

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

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

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

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

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

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

19 (D) is considering Vermont for relocation or expansion.

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

4             (2) Subject to approval by the President Pro Tempore of the Senate and  
5       the Speaker of the House of Representatives, respectively, the Board shall  
6       invite the Chair of the Senate Committee on Economic Development, Housing  
7       and General Affairs and the Chair of the House Committee on Commerce and  
8       Economic Development to participate in Board deliberations under this section  
9       in an advisory capacity.

10            (3) The Governor, or his or her designee, shall present to the Emergency  
11       Board:

12                    (A) information on the company;

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

15                    (C) a summary of the economic activity proposed or that would be  
16       foregone;

17                    (D) other state incentives and programs offered or involved;

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

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

1           (G) terms and conditions of the economic and financial resources  
2 offered, including:  
3           (i) the total dollar amount and form of the economic and financial  
4 resources offered;  
5           (ii) employment creation, employment retention, and capital  
6 investment performance requirements; and  
7           (iii) disallowance and recapture provisions.  
8           (f)(1) [Proprietary business information and materials or other confidential  
9 financial information] submitted [by a business to the State, or submitted by  
10 the Governor to the Emergency Board], for the purpose of [negotiating or  
11 approving economic and financial resources under this section] shall not be  
12 subject to public disclosure under the State's public records law in 1 V.S.A.  
13 chapter 5, but shall be available to the Joint Fiscal Office or its agent upon  
14 authorization [of the Chair] of the Joint Fiscal Committee, [and shall also be  
15 available to the auditor of accounts in connection with the performance of  
16 duties under section 163 of this title]; provided, however, that the Joint Fiscal  
17 Office or its agent, [and the Auditor of Accounts], shall not disclose, directly  
18 or indirectly, to any person any proprietary business or other confidential  
19 information or any information which would identify a business except in  
20 accordance with a judicial order or as otherwise specifically provided by law.

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

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

12                   (1) the name of the investment recipient;

13                   (2) the amount and type of investment the resources;

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

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

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

18           Sec. 1B. CONTINGENT FISCAL YEAR 2014 APPROPRIATION

19           Prior to any transfer pursuant to Sec. B 1104 of Act 50 of 2013, the first  
20           \$5,000,000.00 of FY 2014 funds that would otherwise be transferred to the

1 General Fund Balance Reserve as specified by 32 V.S.A. § 308c shall be  
2 appropriated as follows:

3 (1) \$500,000.00 to the Vermont Economic Development Authority for  
4 loan loss reserves within the Vermont Entrepreneurial Lending Program for the  
5 purposes specified in 10 V.S.A. § 280bb.

6 (2) \$4,500,000.00 to the Vermont Enterprise Investment Fund for the  
7 purposes specified in 32 V.S.A. § 136.

8 \* \* \* Vermont Economic Development Authority \* \* \*

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

10 CHAPTER 12. VERMONT ECONOMIC DEVELOPMENT

11 AUTHORITY

12 \* \* \*

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

15 § 280aa. FINDINGS AND PURPOSE

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



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

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

13       § 280bb. TECHNOLOGY LOAN VERMONT ENTREPRENEURIAL  
14               LENDING PROGRAM

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

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

4           (2) loans from \$250,000.00 through up to \$1,000,000.00 in  
5           growth-stage companies who do not meet the underwriting criteria of other  
6           public and private entrepreneurial financing sources; and

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

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

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



1     Sec. 3. VERMONT ENTREPRENEURIAL LENDING PROGRAM; LOAN  
2             LOSS RESERVE FUNDS; CAPITALIZATION; PRIVATE  
3             CAPITAL; APPROPRIATION

4             (a) The Vermont Economic Development Authority shall capitalize loan  
5             loss reserves for the Vermont Entrepreneurial Lending Program created in  
6             10 V.S.A. § 280bb with the following funding from the following sources:

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

9                     ~~(2) the amount of \$1,000,000.00 appropriated in fiscal year 2015 from~~  
10             ~~the General Fund to the Authority for the purposes of this section.~~

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

14     Sec. 4. 10 V.S.A. chapter 16A is amended to read:

15             CHAPTER 16A. VERMONT AGRICULTURAL CREDIT PROGRAM  
16             § 374a. CREATION OF THE VERMONT AGRICULTURAL CREDIT  
17             PROGRAM

18                             \* \* \*

19             (b) No borrower shall be approved for a loan from the corporation that  
20             would result in the aggregate principal balances outstanding of all loans to that

1 borrower exceeding the then-current maximum Farm Service Agency loan  
2 guarantee limits, or \$2,000,000.00, whichever is greater.

3 § 374b. DEFINITIONS

4 As used in this chapter:

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

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

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

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

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

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

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

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

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

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

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

21 \* \* \*

1                   \* \* \* Connecting Capital Providers and Entrepreneurs \* \* \*

2           Sec. 5. NETWORKING INITIATIVES; APPROPRIATION

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

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

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

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

16                                   \* \* \* Downtown Tax Credits \* \* \*

17          Sec. 6. 32 V.S.A. chapter 151, subchapter 11J is amended to read:

18                                   Subchapter 11J. Vermont Downtown and

19                                   Village Center Tax Credit Program

20          § 5930aa. DEFINITIONS

21           As used in this subchapter:

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(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, heating, ventilating, or cooling systems 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.



1           (4) “Qualified expenditures” means construction-related expenses of the  
2 taxpayer directly related to the project for which the tax credit is sought but  
3 excluding any expenses related to a private residence.

4           (5) “Qualified façade improvement project” means the rehabilitation of  
5 the façade of a qualified building that contributes to the integrity of the  
6 designated downtown or designated village center. Façade improvements to  
7 qualified buildings listed, or eligible for listing, in the State or National  
8 Register of Historic Places must be consistent with Secretary of the Interior  
9 Standards, as determined by the Vermont Division for Historic Preservation.

10          (6) “Qualified historic rehabilitation project” means an historic  
11 rehabilitation project that has received federal certification for the  
12 rehabilitation project.

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

17          (8) “State Board” means the Vermont Downtown Development Board  
18 established pursuant to 24 V.S.A. chapter 76A.

19 § 5930bb. ELIGIBILITY AND ADMINISTRATION

20          (a) Qualified applicants may apply to the State Board to obtain the tax  
21 credits provided by this subchapter for ~~qualified code improvement, façade~~

1 ~~improvement, or historic rehabilitation projects~~ a qualified project at any time  
2 before one year after completion of the qualified project.

3 (b) To qualify for any of the tax credits under this subchapter, expenditures  
4 for the qualified project must exceed \$5,000.00.

5 (c) Application shall be made in accordance with the guidelines set by the  
6 State Board.

7 (d) Notwithstanding any other provision of this subchapter, qualified  
8 applicants may apply to the State Board at any time prior to June 30, 2013 to  
9 obtain a tax credit not otherwise available under subsections 5930cc(a)-(c) of  
10 this title of 10 percent of qualified expenditures resulting from damage caused  
11 by a federally declared disaster in Vermont in 2011. The credit shall only be  
12 claimed against the taxpayer's State individual income tax under section 5822  
13 of this title. To the extent that any allocated tax credit exceeds the taxpayer's  
14 tax liability for the first tax year in which the qualified project is completed,  
15 the taxpayer shall receive a refund equal to the unused portion of the tax credit.  
16 If within two years after the date of the credit allocation no claim for a tax  
17 credit or refund has been filed, the tax credit allocation shall be rescinded and  
18 recaptured pursuant to subdivision 5930ee(6) of this title. The total amount of  
19 tax credits available under this subsection shall not be more than \$500,000.00  
20 and shall not be subject to the limitations contained in subdivision 5930ee(2)  
21 of this subchapter.

1 § 5930cc. DOWNTOWN AND VILLAGE CENTER PROGRAM TAX

2 CREDITS

3 (a) Historic rehabilitation tax credit. The qualified applicant of a qualified  
4 historic rehabilitation project shall be entitled, upon the approval of the State  
5 Board, to claim against the taxpayer's ~~state~~ State individual income tax,  
6 corporate income tax, or bank franchise or insurance premiums tax liability a  
7 credit of 10 percent of qualified rehabilitation expenditures as defined in the  
8 Internal Revenue Code, 26 U.S.C. § 47(c), properly chargeable to the federally  
9 certified rehabilitation.

10 (b) Façade improvement tax credit. The qualified applicant of a qualified  
11 façade improvement project shall be entitled, upon the approval of the State  
12 Board, to claim against the taxpayer's State individual income tax, ~~state~~ State  
13 corporate income tax, or bank franchise or insurance premiums tax liability a  
14 credit of 25 percent of qualified expenditures up to a maximum tax credit of  
15 \$25,000.00.

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

1 maximum tax credit of \$50,000.00 for installation or improvement of an  
2 elevator, a maximum tax credit of \$50,000.00 for installation or improvement  
3 of a sprinkler system, a maximum tax credit of \$30,000.00 for the combined  
4 costs of installation or improvement of data or network wiring or a heating,  
5 ventilating, or cooling system, and a maximum tax credit of \$25,000.00 for the  
6 combined costs of all other qualified code improvements.

7 \* \* \*

8 \* \* \* Electricity Rates for Businesses \* \* \*

9 Sec. 7. 30 V.S.A. § 218e is added to read:

10 § 218e. IMPLEMENTING STATE ENERGY POLICY;

11 MANUFACTURING

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

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

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

3           Sec. 7a. INVESTIGATION; ELECTRICITY COSTS; MANUFACTURING

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

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

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

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

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

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

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

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

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

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

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

4             (1) consumer and business advocacy groups;

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

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

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

15                   \* \* \* Domestic Export Program \* \* \*

16       Sec. 8. DOMESTIC MARKET ACCESS PROGRAM FOR VERMONT  
17                   AGRICULTURE AND FOREST PRODUCTS

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

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

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

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

9           (b) There is appropriated in Fiscal Year 2015 from the General Fund to the  
10           Agency of Agriculture, Food and Markets the amount of \$75,000.00 to  
11           implement the provisions of this section.

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

18                           \* \* \* Criminal Penalties for Computer Crimes \* \* \*

19           Sec. 9. 13 V.S.A. chapter 87 is amended to read:

20                           CHAPTER 87. COMPUTER CRIMES

21   \* \* \*



1 § 4104. ALTERATION, DAMAGE, OR INTERFERENCE

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

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

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

10 (2) if the damage or loss does not exceed \$500.00 for a second or  
11 subsequent offense, imprisoned not more than two years or fined not more than  
12 ~~\$1,000.00~~ \$10,000.00, or both; or

13 (3) if the damage or loss exceeds \$500.00, imprisoned not more than  
14 10 years or fined not more than ~~\$10,000.00~~ \$25,000.00, or both.

15 § 4105. THEFT OR DESTRUCTION

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

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

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

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

9 (2) if the damage or loss does not exceed \$500.00 for a second or  
10 subsequent offense, imprisoned not more than two years or fined not more than  
11 ~~\$1,000.00~~ \$10,000.00, or both; or

12 (3) if the damage or loss exceeds \$500.00, imprisoned not more than  
13 10 years or fined not more than ~~\$10,000.00~~ \$25,000.00, or both.

14 § 4106. CIVIL LIABILITY

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

18 \* \* \*

1                                   \* \* \* Statute of Limitations to Commence Action  
2                                   for Misappropriation of Trade Secrets \* \* \*

3       Sec. 10. 12 V.S.A. § 523 is amended to read:

4       § 523. TRADE SECRETS

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

10                                   \* \* \* Protection of Trade Secrets \* \* \*

11       Sec. 11. 9 V.S.A. chapter 143 is amended to read:

12                                   CHAPTER 143. TRADE SECRETS

13       § 4601. DEFINITIONS

14           As used in this chapter:

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

18           (2) “Misappropriation” means:

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

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

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

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

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

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

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

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

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

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

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

3           § 4602. INJUNCTIVE RELIEF

4           (a) ~~Actual~~ A court may enjoin actual or threatened misappropriation ~~may~~  
5           ~~be enjoined of a trade secret.~~ Upon application to the court, an injunction shall  
6           be terminated when the trade secret has ceased to exist, but the injunction may  
7           be continued for an additional reasonable period of time in order to eliminate  
8           commercial advantage that otherwise would be derived from the  
9           misappropriation.

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

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

18          § 4603. DAMAGES

19          (a)(1) Except to the extent that a material and prejudicial change of position  
20          prior to acquiring knowledge or reason to know of misappropriation renders a

1 monetary recovery inequitable, a complainant is entitled to recover damages  
2 for misappropriation.

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

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

10 (4) A court shall award a substantially prevailing party his or her costs  
11 and fees, including reasonable attorney's fees, in an action brought pursuant to  
12 this chapter.

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

15 § 4605. PRESERVATION OF SECRECY

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

1 § 4607. EFFECT ON OTHER LAW

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

5 (b) This chapter does not affect:

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

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

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

12 \* \* \*

13 \* \* \* Intellectual Property; Businesses and Government Contracting \* \* \*

14 Sec. 12. 3 V.S.A. § 346 is added to read:

15 § 346. STATE CONTRACTING; INTELLECTUAL PROPERTY,

16 SOFTWARE DESIGN, AND INFORMATION TECHNOLOGY

17 (a) The Secretary of Administration shall include in Administrative  
18 Bulletin 3.5 a policy direction applicable to State procurement contracts that  
19 include services for the development of software applications, computer  
20 coding, or other intellectual property, which would allow the State of Vermont

1 to grant permission to the contractor to use or own the intellectual property  
2 created under the contract for the contractor's commercial purposes.

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

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

11 \* \* \* Department of Financial Regulation \* \* \*

12 Sec. 13. SMALL BUSINESS ACCESS TO CAPITAL

13 (a) Crowdfunding Study. The Department of Financial Regulation shall  
14 study the opportunities and limitations for crowdfunding to increase access to  
15 capital for Vermont's small businesses. On or before January 15, 2015, the  
16 Department shall report its findings and recommendations to the House  
17 Committee on Commerce and Economic Development and the Senate  
18 Committee on Economic Development, Housing and General Affairs.

19 (b) Small business issuer education and outreach. On or before January 15,  
20 2015, the Department of Financial Regulation shall conduct at least two  
21 educational events to inform the legal, small business, and investor



1 communities and other interested parties, of opportunities for small businesses  
2 to access capital in Vermont, including, the Vermont Small Business Offering  
3 Exemption regulation and other securities registration exemptions.

4 (c) Vermont Small Business Offering Exemption. The Commissioner of  
5 Financial Regulation shall exercise his or her rulemaking authority under  
6 9 V.S.A. chapter 150 to review and revise the Vermont Small Business  
7 Offering Exemption and any other state securities exemptions, specifically  
8 including those designed to complement exemptions from federal registration  
9 requirements available under Regulation D, in order to recognize and reflect  
10 the evolution of capital markets and to ensure that Vermont remains current  
11 and competitive in its securities regulations, particularly with respect to access  
12 to capital for small businesses.

13 Sec. 14. STUDY; DEPARTMENT OF FINANCIAL REGULATION;  
14 LICENSED LENDER REQUIREMENTS; COMMERCIAL  
15 LENDERS

16 On or before January 15, 2015, the Department of Financial Regulation  
17 shall solicit public comment on, evaluate, and report to the House Committee  
18 on Commerce and Economic Development and to the Senate Committees on  
19 Finance and on Economic Development, Housing and General Affairs any  
20 statutory and regulatory changes to the State's licensed lender requirements

1 that are necessary to open private capital markets and remove unnecessary  
2 barriers to business investment in Vermont.

3 \* \* \* Licensed Lender Requirements; Exemption for De Minimis

4 Lending Activity \* \* \*

5 Sec. 15. 8 V.S.A. § 2201 is amended to read:

6 2201. LICENSES REQUIRED

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

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

12 (2) act as a mortgage broker;

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

14 (4) act as a sales finance company.

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

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

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

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

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

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

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

- 1 (2) a federal agency or other public instrumentality of the United States;
- 2 (3) a gas or electric utility subject to the jurisdiction of the ~~public service~~  
3 ~~board~~ Public Service Board engaging in energy conservation or safety loans;
- 4 (4) a depository institution or a financial institution as defined in  
5 8 V.S.A. § 11101(32);
- 6 (5) a pawnbroker;
- 7 (6) an insurance company;
- 8 (7) a seller of goods or services that finances the sale of such goods or  
9 services, other than a residential mortgage loan;
- 10 (8) any individual who offers or negotiates the terms of a residential  
11 mortgage loan secured by a dwelling that served as the individual's residence,  
12 including a vacation home, or inherited property that served as the deceased's  
13 dwelling, provided that the individual does not act as a mortgage loan  
14 originator or provide financing for such sales so frequently and under such  
15 circumstances that it constitutes a habitual activity and acting in a commercial  
16 context;
- 17 (9) lenders that conduct their lending activities, other than residential  
18 mortgage loan activities, through revolving loan funds, that are nonprofit  
19 organizations exempt from taxation under Section 501(c) of the Internal  
20 Revenue Code, 26 U.S.C. § 501(c), and that register with the ~~commissioner of~~

1 ~~economic development~~ Commissioner of Economic Development under  
2 10 V.S.A. § 690a;

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

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

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

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

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

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

6                   (13) nonprofit organizations established under testamentary instruments,  
7 exempt from taxation under Section 501(c)(3) of the Internal Revenue Code,  
8 26 U.S.C. § 501(c)(3), and which make loans for postsecondary educational  
9 costs to students and their parents, provided that the organizations provide  
10 annual accountings to the Probate Division of the Superior Court;

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

14                   (15) a housing finance agency;

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

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

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

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

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

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

16           (5) A licensed attorney who negotiates the terms of a residential  
17 mortgage loan on behalf of a client as an ancillary matter to the attorney's  
18 representation of the client, unless the attorney is compensated by a lender, a  
19 mortgage broker, or other mortgage loan originator or by any agent of such  
20 lender, mortgage broker, or other mortgage loan originator. To the extent an  
21 attorney licensed in this State undertakes activities that are covered by the

1 definition of a mortgage loan originator, such activities do not constitute  
2 engaging in the business of a mortgage loan originator, provided that:

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

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

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

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

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

16 (g) Independent contractor loan processors or underwriters. A loan  
17 processor or underwriter who is an independent contractor may not engage in  
18 the activities of a loan processor or underwriter unless such independent  
19 contractor loan processor or underwriter obtains and maintains a mortgage loan  
20 originator license. Each independent contractor loan processor or underwriter



1 licensed as a mortgage loan originator must have and maintain a valid unique  
2 identifier issued by the Nationwide Mortgage Licensing System and Registry.

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

5 \* \* \* Vermont State Treasurer; Credit Facilities; 10% for Vermont \* \* \*

6 Sec. 16. 2013 Acts and Resolves No. 87, Sec. 8 is amended to read:

7 Sec. 8. INVESTMENT OF STATE MONIES

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

11 Sec. 17. VERMONT STATE TREASURER; CREDIT FACILITY FOR

12 LOCAL INVESTMENTS

13 (a) Notwithstanding any other provision of law to the contrary, the  
14 Vermont State Treasurer shall have the authority to establish a credit facility of  
15 up to 10 percent of the State's average cash balance on terms acceptable to the  
16 Treasurer for purposes established by the Treasurer's Local Investment  
17 Advisory Committee consistent with the provisions of the Uniform Prudent  
18 Investor Act, 14A V.S.A. chapter 9.

19 (b) The amount authorized in subsection (a) of this section shall include all  
20 credit facilities authorized by the General Assembly and established by the

1 Treasurer prior to or subsequent to the effective date of this section, and the  
2 renewal or replacement of those credit facilities.

3 Sec. 18. TREASURER'S LOCAL INVESTMENT ADVISORY  
4 COMMITTEE; REPORT

5 (a) Creation of committee. The Treasurer's Local Investment Advisory  
6 Committee is established to:

7 (1) advise the Treasurer on funding priorities for credit facilities  
8 authorized by current law; and

9 (2) address other mechanisms to increase local investment.

10 (b) Membership. The Committee shall be composed of the following  
11 members:

12 (A) the State Treasurer or designee, who shall serve as Chair of the  
13 Committee;

14 (B) the Commissioner of Financial Regulation or designee;

15 (C) the Secretary of Commerce and Community Development or  
16 designee;

17 (D) a senior officer of a Vermont bank, who shall be appointed by the  
18 Governor;

19 (E) a member of the public, who shall be appointed by the Speaker of  
20 the House;

1           (F) a member of the public, who shall be appointed by the President  
2           Pro Tempore of the Senate;

3           (G) the executive director of a Vermont nonprofit organization that,  
4           as part of its mission, directly lends or services loans or other similar  
5           obligations, who shall be appointed by the Governor; and

6           (H) the manager of the Vermont Economic Development Authority  
7           or designee.

8           ~~(2) The Committee shall be further composed of the following~~  
9           ~~non-voting members:~~

10           (I) the executive director of the Vermont Housing Finance Agency or  
11           designee;

12           (J) the President of the Vermont Student Assistance Corporation or  
13           designee; and

14           (K) the executive director of the Vermont Municipal Bond Bank or  
15           designee.

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

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

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

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

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

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

11           (1) Meetings of the Advisory Committee shall occur at the call of the  
12           Treasurer.

13           (2) A majority of the members of the Advisory Committee who are  
14           physically present at the same location or available electronically shall  
15           constitute a quorum, and a member may participate and vote electronically.

16           (3) To be effective action of the Advisory Committee shall be taken by  
17           majority vote of the members at a meeting in which a quorum is present.

18           (e) Report. On or before January 15, 2015, and annually thereafter, the  
19           Advisory Committee shall submit a report to the Senate Committees on  
20           Finance and on Government Operations and the House Committees on Ways

1 and Means and on Government Operations. The report shall include the  
2 following:

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

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

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

10 Sec. 18a. SUNSET

11 Secs. 17-18 of this Act shall be repealed on July 1, 2015.

12 Sec. 19. 9 V.S.A. § 2481w is amended to read:

13 § 2481W. UNLICENSED LOAN TRANSACTIONS

14 (a) In this subchapter:

15 (1) “Financial account” means a checking, savings, share, stored value,  
16 prepaid, payroll card, or other depository account.

17 (2) “Lender” means a person engaged in the business of making loans of  
18 money, credit, goods, or things in action and charging, contracting for, or  
19 receiving on any such loan interest, a finance charge, a discount, or  
20 consideration.

1           (3) “Process” or “processing” includes printing a check, draft, or other  
2 form of negotiable instrument drawn on or debited against a consumer’s  
3 financial account, formatting or transferring data for use in connection with the  
4 debiting of a consumer’s financial account by means of such an instrument or  
5 an electronic funds transfer, or arranging for such services to be provided to a  
6 lender.

7           (4) “Processor” means a person who engages in processing, as defined  
8 in subdivision (3) of this subsection. In this section “processor” does not  
9 include an interbank clearinghouse.

10           (5) “Interbank clearinghouse” means a person that operates an exchange  
11 of automated clearinghouse items, checks, or check images solely between  
12 insured depository institutions.

13           (b) It is an unfair and deceptive act and practice in commerce for a lender  
14 directly or through an agent to solicit or make a loan to a consumer by any  
15 means unless the lender is in compliance with all provisions of 8 V.S.A.  
16 chapter 73 or is otherwise exempt from the requirements of 8 V.S.A.  
17 chapter 73.

18           (c) It is an unfair and deceptive act and practice in commerce for a  
19 processor, other than a federally insured depository institution, to process a  
20 check, draft, other form of negotiable instrument, or an electronic funds  
21 transfer from a consumer’s financial account in connection with a loan

1 solicited or made by any means to a consumer unless the lender is in  
2 compliance with all provisions of 8 V.S.A. chapter 73 or is otherwise exempt  
3 from the requirements of 8 V.S.A. chapter 73.

4 (d) It is an unfair and deceptive act and practice in commerce for any  
5 person, including the lender's financial institution as defined in 8 V.S.A.  
6 § 10202(5), but not including the consumer's financial institution as defined in  
7 8 V.S.A. § 10202(5) or an interbank clearinghouse as defined in subsection (a)  
8 of this section, to provide substantial assistance to a lender or processor when  
9 the person or the person's authorized agent receives notice from a regulatory,  
10 law enforcement, or similar governmental authority, or knows from its normal  
11 monitoring and compliance systems, or consciously avoids knowing that the  
12 lender or processor is in violation of subsection (b) or (c) of this section, or is  
13 engaging in an unfair or deceptive act or practice in commerce.

14 Sec. 20. 30 V.S.A. § 248a is amended to read:

15 § 248a. CERTIFICATE OF PUBLIC GOOD FOR COMMUNICATIONS

16 FACILITIES

17 \* \* \*

18 (b) Definitions. ~~For the purposes of~~ As used in this section:

19 \* \* \*

20 (4) "Telecommunications facility" means a communications facility that  
21 transmits and receives signals to and from a local, State, national, or

1 international network used primarily for two-way communications for  
2 commercial, industrial, municipal, county, or State purposes and any  
3 associated support structure that is proposed for construction or installation  
4 which is primarily for communications purposes, and any ancillary  
5 improvements that are proposed for construction or installation and are  
6 primarily intended to serve the communications facilities or support structure.  
7 An applicant may seek approval of construction or installation of a  
8 telecommunications facility whether or not the telecommunications facility is  
9 attached to an existing structure.

10 (5) “Wireless service” means any commercial mobile radio service,  
11 wireless service, common carrier wireless exchange service, cellular service,  
12 personal communications service (PCS), specialized mobile radio service,  
13 paging service, wireless data service, or public or private radio dispatch  
14 service.

15 \* \* \*

16 (c) Findings. Before the Public Service Board issues a certificate of public  
17 good under this section, it shall find that:

18 (1) The proposed facility will not have an undue adverse effect on  
19 aesthetics, historic sites, air and water purity, the natural environment, and the  
20 public health and safety, and the public’s use and enjoyment of the I-89 and  
21 I-91 scenic corridors or of any highway that has been designated as a scenic



1 road pursuant to 19 V.S.A. § 2501 or a scenic byway pursuant to 23 U.S.C.  
2 § 162, with due consideration having been given to the relevant criteria  
3 specified in 10 V.S.A. §§ 1424a(d) and 6086(a)(1) through (8) and (9)(K).  
4 However, with respect to telecommunications facilities of limited size and  
5 scope, the Board shall waive all criteria of this subdivision other than  
6 10 V.S.A. § 6086(a)(1)(D)(floodways) and (a)(8)(aesthetics, scenic beauty,  
7 historic sites, rare and irreplaceable natural areas; endangered species;  
8 necessary wildlife habitat). Such waiver shall be on condition that:

9 (A) ~~The~~ the Board may determine, pursuant to the procedures  
10 described in subdivision (j)(2)(A) of this section, that a petition raises a  
11 significant issue with respect to any criterion of this subdivision; and

12 (B) ~~A~~ a telecommunications facility of limited size and scope shall  
13 comply, at a minimum, with the requirements of the Low Risk Site Handbook  
14 for Erosion Prevention and Sediment Control issued by the Department of  
15 Environmental Conservation, regardless of any provisions in that handbook  
16 that limit its applicability.

17 (2) Unless there is good cause to find otherwise, substantial deference  
18 has been given to the land conservation measures in the plans of the affected  
19 municipalities and the recommendations of the municipal legislative bodies  
20 and the municipal and regional planning commissions regarding the municipal  
21 and regional plans, respectively. Nothing in this section or other provision of

1 law shall prevent a municipal body from basing its recommendations on an  
2 ordinance adopted under 24 V.S.A. § 2291(19) or bylaw adopted under  
3 24 V.S.A. chapter 117 by the municipality in which the facility is located. A  
4 rebuttable presumption respecting compliance with the applicable plan shall be  
5 created by a letter from an affected municipal legislative body or municipal  
6 planning commission concerning compliance with the municipal plan and by a  
7 letter from a regional planning commission concerning compliance with the  
8 regional plan.

9 (3) If the proposed facility relates to the provision of wireless service, the  
10 proposed facility reasonably cannot be collocated on or at an existing  
11 telecommunications facility, or such collocation would cause an undue adverse  
12 effect on aesthetics.

13 \* \* \*

14 (e) Notice. No less than 45 days prior to filing an application for a  
15 certificate of public good under this section, the applicant shall serve written  
16 notice of an application to be filed with the Board pursuant to this section to  
17 the legislative bodies and municipal and regional planning commissions in the  
18 communities in which the applicant proposes to construct or install facilities;  
19 the Secretary of Natural Resources; the Secretary of Transportation; the  
20 Division for Historic Preservation; the Commissioner of Public Service and its  
21 Director for Public Advocacy; the Natural Resources Board if the application

1 concerns a telecommunications facility for which a permit previously has been  
2 issued under 10 V.S.A. chapter 151; and the landowners of record of property  
3 adjoining the project sites. In addition, at least one copy of each application  
4 shall be filed with each of these municipal and regional planning commissions.

5 (1) Upon motion or otherwise, the Public Service Board shall direct that  
6 further public or personal notice be provided if the Board finds that such  
7 further notice will not unduly delay consideration of the merits and that  
8 additional notice is necessary for fair consideration of the application.

9 (2) On the request of the municipal legislative body or the planning  
10 commission, the applicant shall attend a public meeting with the municipal  
11 legislative body or planning commission, or both, within the 45-day notice  
12 period before filing an application for a certificate of public good. The  
13 Department of Public Service shall attend the public meeting on the request of  
14 the municipality. The Department shall consider the comments made and  
15 information obtained at the meeting in making recommendations to the Board  
16 on the application and in determining whether to retain additional personnel  
17 under subsection (o) of this section.

18 \* \* \*

19 (i) Sunset of Board authority. Effective on July 1, 2014 2017, no new  
20 applications for certificates of public good under this section may be  
21 considered by the Board.

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\* \* \*

(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.

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

8        Sec. 20a. PUBLIC SERVICE BOARD; ORDER REVISION

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

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

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

4           Sec. 20b. REPORT; TELECOMMUNICATIONS FACILITY REVIEW  
5                                 PROCESS

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

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

18           (j) Notwithstanding any other provision of law, if an application to  
19           discharge stormwater runoff pertains to a telecommunications facility as  
20           defined in 30 V.S.A. § 248a and is filed before July 1, ~~2014~~ 2017 and the

1 discharge will be to a water that is not principally impaired by stormwater  
2 runoff:

3 (1) The Secretary shall issue a decision on the application within  
4 40 days of the date the Secretary determines the application to be complete, if  
5 the application seeks authorization under a general permit.

6 (2) The Secretary shall issue a decision on the application within  
7 60 days of the date the Secretary determines the application to be complete, if  
8 the application seeks or requires authorization under an individual permit.

9 Sec. 20d. 10 V.S.A. § 8506 is amended to read:

10 § 8506. RENEWABLE ENERGY PLANT; TELECOMMUNICATIONS  
11 FACILITY; APPEALS

12 (a) Within 30 days of the date of the act or decision, any person aggrieved  
13 by an act or decision of the ~~secretary~~ Secretary, under the provisions of law  
14 listed in section 8503 of this title, or any party by right may appeal to the  
15 ~~public service board~~ Public Service Board if the act or decision concerns a  
16 renewable energy plant for which a certificate of public good is required under  
17 30 V.S.A. § 248 or a telecommunications facility for which the applicant has  
18 applied or has served notice under 30 V.S.A. § 248a(e) that it will apply for  
19 approval under 30 V.S.A. § 248a. This section shall not apply to a facility that  
20 is subject to section 1004 (dams before the Federal Energy Regulatory  
21 Commission) or 1006 (certification of hydroelectric projects) or chapter 43

1 (dams) of this title. This section shall not apply to an appeal of an act or  
2 decision of the secretary regarding a telecommunications facility made on or  
3 after July 1, ~~2014~~ 2017.

4 \* \* \*

5 Sec. 20e. REPEAL

6 2011 Acts and Resolves No. 53, Sec. 14d (repeal of limitations on  
7 municipal bylaws; municipal ordinances; wireless telecommunications  
8 facilities) is repealed.

9 Sec. 20f. 3 V.S.A. § 2809 is amended to read:

10 § 2809. REIMBURSEMENT OF AGENCY COSTS

11 (a)(1) The Secretary may require an applicant for a permit, license,  
12 certification, or order issued under a program that the Secretary enforces under  
13 10 V.S.A. § 8003(a) to pay for the cost of research, scientific, programmatic,  
14 or engineering expertise provided by the Agency of Natural Resources,  
15 provided that the following apply:

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

19 (B) ~~the~~ The Secretary does have such expertise but has made a  
20 determination that it is beyond the ~~agency's~~ Agency's internal capacity to  
21 effectively utilize that expertise to process the application for the permit,



1 license, certification, or order. In addition, the Secretary shall determine that  
2 such expertise is required for the processing of the application for the permit,  
3 license, certification, or order.

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

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

17 \* \* \*

18 (g) Concerning an application for a permit to discharge stormwater runoff  
19 from a telecommunications facility as defined in 30 V.S.A. § 248a that is filed  
20 before July 1, ~~2014~~ 2017:

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

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

5 Sec. 21. JFO ACCD DEMOGRAPHIC STUDY

6           The Agency of Commerce and Community Development, with consultation  
7 and review by the legislative economist and the Joint Fiscal Office, shall  
8 conduct an economic impact analysis, including study of demographic and  
9 infrastructure impacts associated with recently announced development  
10 projects in the Northeast Kingdom of Vermont, and shall submit its findings to  
11 the House Committee on Commerce and Community Development, the Senate  
12 Committee on Economic Development, Housing and General Affairs, and the  
13 Joint Fiscal Committee on or before December 1, 2014.

14                                   \* \* \* Tourism Funding; Study \* \* \*

15 Sec. 22. TOURISM FUNDING; PILOT PROJECT STUDY

16           On or before January 15, 2015, the Secretary of Commerce and Community  
17 Development shall submit to the House Committee on Commerce and  
18 Economic Development and the Senate Committee on Economic  
19 Development, Housing and General Affairs a report that analyzes the results of  
20 the performance-based funding pilot project for the Department of Tourism

1 and Marketing and recommends appropriate legislative or administrative  
2 changes to the funding mechanism for tourism and marketing programs.

3 \* \* \* Land Use; Housing; Industrial Development \* \* \*

4 Sec. 23. 10 V.S.A. chapter 12 is amended to read:

5 CHAPTER 12: VERMONT ECONOMIC DEVELOPMENT AUTHORITY

6 \* \* \*

7 § 212. DEFINITIONS

8 As used in this chapter:

9 \* \* \*

10 (6) “Eligible facility” or “eligible project” means any industrial,  
11 commercial, or agricultural enterprise or endeavor approved by the authority  
12 that meets the criteria established in the Vermont Sustainable Jobs Strategy  
13 adopted by the Governor under section 280b of this title, including land and  
14 rights in land, air, or water, buildings, structures, machinery, and equipment of  
15 such eligible facilities or eligible projects, except that an eligible facility or  
16 project shall not include the portion of an enterprise or endeavor relating to the  
17 sale of goods at retail where such goods are manufactured primarily out of  
18 state, and except further that an eligible facility or project shall not include the  
19 portion of an enterprise or endeavor relating to housing. Such enterprises or  
20 endeavors may include:

21 \* \* \*

1 (M) Sustainably Priced Energy Enterprise Development (SPEED)

2 resources, as defined in 30 V.S.A. § 8002; ~~or~~

3 (N) any combination of the foregoing activities, uses, or purposes.

4 An eligible facility may include structures, appurtenances incidental to the

5 foregoing such as utility lines, storage accommodations, offices, dependent

6 care facilities, or transportation facilities; or

7 (O) industrial park planning, development, or improvement.

8 \* \* \*

9 § 261. ADDITIONAL POWERS

10 In addition to powers enumerated elsewhere in this chapter, the authority  
11 may:

12 \* \* \*

13 (6) provide loans and assistance under this subchapter for the planning,  
14 development, or improvement of an industrial park or an eligible project within  
15 an industrial park.

16 Sec. 24. 10 V.S.A. § 6001(35) is added to read:

17 (35) “Industrial park” means an area of land permitted under this chapter  
18 that is planned, designed, and zoned as a location for one or more industrial  
19 buildings, that includes adequate access roads, utilities, water, sewer, and other  
20 services necessary for the uses of the industrial buildings, and includes no

1 retail use except that which is incidental to an industrial use, and no office use  
2 except that which is incidental or secondary to an industrial use.

3 Sec. 25. REVIEW OF MASTER PLAN POLICY

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

1                   \* \* \* Primary Agricultural Soils; Industrial Parks \* \* \*

2           Sec. 26. 10 V.S.A. § 6093(a)(4) is amended to read:

3                   (4) Industrial parks.

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

18                  (B) In any application to a ~~district commission for expansion of~~  
19          District Commission to amend a permit for an existing industrial park, compact  
20          ~~development patterns shall be encouraged that assure~~ the most efficient and  
21          full use of land ~~and the realization of maximum economic development~~

1 ~~potential through appropriate densities~~ shall be allowed consistent with all  
2 applicable criteria of subsection 6086(a) of this title. Industrial park  
3 expansions and industrial park infill shall not be subject to requirements  
4 established in subdivision 6086(a)(9)(B)(iii) of this title, nor to requirements  
5 established in subdivision 6086(a)(9)(C)(iii).

6 \* \* \* Affordable Housing \* \* \*

7 Sec. 27. 10 V.S.A. § 6001 is amended to read:

8 § 6001. DEFINITIONS

9 In this chapter:

10 \* \* \*

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

12 \* \* \*

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

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

1                            (aa) 275 or more, in a municipality with a population of  
2                            15,000 or more;  
3                            (bb) 150 or more, in a municipality with a population of  
4                            10,000 or more but less than 15,000;  
5                            (cc) 75 or more, in a municipality with a population of 6,000  
6                            or more but less than 10,000.  
7                            (dd) 50 or more, in a municipality with a population of  
8                            3,000 or more but less than 6,000;  
9                            (ee) 25 or more, in a municipality with a population of less  
10                           than 3,000; and  
11                           (ff) notwithstanding subdivisions (aa) through (ee) of this  
12                           subdivision (iv)(I), 10 or more if the construction involves the demolition of  
13                           one or more buildings that are listed on or eligible to be listed on the State or  
14                           National Register of Historic Places. However, demolition shall not be  
15                           considered to create jurisdiction under this subdivision if the Division for  
16                           Historic Preservation has determined the proposed demolition will have no  
17                           adverse effect; no adverse effect provided that specified conditions are met; or  
18                           will have an adverse effect but that adverse effect will be adequately mitigated.  
19                           Any imposed conditions shall be enforceable through a grant condition, deed  
20                           covenant, or other legally binding document.





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

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

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

18                  ~~(ii) Mixed Income Housing Jurisdictional Thresholds.~~  
19                  ~~Notwithstanding the provisions of subdivision (3)(A) of this section, if a~~  
20                  ~~project consists exclusively of mixed income housing and is located entirely~~  
21                  ~~within a Vermont neighborhood designated pursuant to 24 V.S.A. § 2793d or a~~

1 ~~neighborhood development area as defined in 24 V.S.A. § 2791(16),~~

2 ~~“development” means:~~

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

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

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

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

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

16 ~~(VI) Historic Buildings. Construction of 10 or more units of~~  
17 ~~mixed income housing where the construction involves the demolition of one~~  
18 ~~or more buildings that are listed on or eligible to be listed on the State or~~  
19 ~~National Register of Historic Places. However, demolition shall not be~~  
20 ~~considered to create jurisdiction under this subdivision if the Division for~~  
21 ~~Historic Preservation has determined the proposed demolition will have: no~~

1 ~~adverse effect; no adverse effect provided that specified conditions are met; or~~  
2 ~~will have an adverse effect, but that adverse effect will be adequately~~  
3 ~~mitigated. Any imposed conditions shall be enforceable through a grant~~  
4 ~~condition, deed covenant, or other legally binding document. [Repealed.]~~

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

7 (i) ~~Incentive for Growth Inside Designated Areas.~~

8 ~~Notwithstanding subdivision (3)(A)(iv) of this section, housing units~~  
9 ~~constructed by a person partially or completely outside a designated downtown~~  
10 ~~development district, designated growth center, designated Vermont~~  
11 ~~neighborhood, or designated neighborhood development area shall not be~~  
12 ~~counted to determine jurisdiction over housing units constructed by that person~~  
13 ~~entirely within a designated downtown development district, designated~~  
14 ~~growth center, designated Vermont neighborhood, or designated neighborhood~~  
15 ~~development area. [Repealed.]~~

16 (ii) ~~Five Year, Five Mile Radius Jurisdiction Analysis. Within~~

17 ~~any continuous period of five years, housing units constructed by a person~~  
18 ~~entirely within a designated downtown district, designated growth center,~~  
19 ~~designated Vermont neighborhood, or designated neighborhood development~~  
20 ~~area shall be counted together with housing units constructed by that person~~  
21 ~~partially or completely outside a designated downtown development district,~~

1 ~~designated growth center, designated Vermont neighborhood, or designated~~  
2 ~~neighborhood development area to determine jurisdiction over the housing~~  
3 ~~units constructed by a person partially or completely outside the designated~~  
4 ~~downtown development district, designated growth center, designated Vermont~~  
5 ~~neighborhood, or designated neighborhood development area and within a~~  
6 ~~five mile radius in accordance with subdivision (3)(A)(iv) of this section.~~

7 [Repealed.]

8 (iii) ~~Discrete Housing Projects in Designated Areas and Exclusive~~  
9 ~~Counting for Housing Units. Notwithstanding subdivisions (3)(A)(iv) and (19)~~  
10 ~~of this section, jurisdiction shall be determined exclusively by counting~~  
11 ~~housing units constructed by a person within a designated downtown~~  
12 ~~development district, designated growth center, designated Vermont~~  
13 ~~neighborhood, or designated neighborhood development area, provided that~~  
14 ~~the housing units are part of a discrete project located on a single tract or~~  
15 ~~multiple contiguous tracts of land. [Repealed.]~~

16 \* \* \*

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

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

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

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

9 (B) ~~Affordable~~ Rental Housing. At least 20 percent of the housing  
10 units that is are rented by the occupants whose gross annual household income  
11 ~~does not exceed 60 percent of the county median income, or 60 percent of the~~  
12 ~~standard metropolitan statistical area income if the municipality is located in~~  
13 ~~such an area, as defined by the United States Department of Housing and~~  
14 ~~Urban Development for use with the Housing Credit Program under Section~~  
15 ~~42(g) of the Internal Revenue Code, and the total annual cost of the housing, as~~  
16 ~~defined at Section 42(g)(2)(B), is not more than 30 percent of the gross annual~~  
17 ~~household income as defined at Section 42(g)(2)(C), and with constitute~~  
18 affordable housing and have a duration of affordability of no less than ~~30~~  
19 20 years.

20 (28) “Mixed use” means construction of both mixed income housing  
21 and construction of space for any combination of retail, office, services,

1 artisan, and recreational and community facilities, provided at least 40 percent  
2 of the gross floor area of the buildings involved is mixed income housing.

3 “Mixed use” does not include industrial use.

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

5 (A) Housing that is owned by its occupants whose gross annual  
6 household income does not exceed 80 percent of the county median income, or  
7 80 percent of the standard metropolitan statistical area income if the  
8 municipality is located in such an area, as defined by the United States  
9 Department of Housing and Urban Development, and the total annual cost of  
10 the housing, including principal, interest, taxes, insurance, and condominium  
11 association fees, is not more than 30 percent of the gross annual household  
12 income.

13 (B) Housing that is rented by the occupants whose gross annual  
14 household income does not exceed 80 percent of the county median income, or  
15 80 percent of the standard metropolitan statistical area income if the  
16 municipality is located in such an area, as defined by the United States  
17 Department of Housing and Urban Development, and the total annual cost of  
18 the housing, including rent, utilities, and condominium association fees, is not  
19 more than 30 percent of the gross annual household income.

20 \* \* \*





1           (A) Advise the Governor on the establishment of an integrated  
2           system of workforce education and training for Vermont.

3           (B) Create and maintain an inventory of all existing workforce  
4           education and training programs and activities in the State.

5           (C) Use data to ensure that State workforce education and training  
6           activities are aligned with the needs of the available workforce, the current and  
7           future job opportunities in the State, and the specific credentials needed to  
8           achieve employment in those jobs.

9           (D) Develop a State plan, as required by federal law, to ensure that  
10          workforce education and training programs and activities in the State serve  
11          Vermont citizens and businesses to the maximum extent possible.

12          (E) Ensure coordination and non-duplication of workforce education  
13          and training activities.

14          (F) Identify best practices and gaps in the delivery of workforce  
15          education and training programs.

16          (G) Design and implement criteria and performance measures for  
17          workforce education and training activities.

18          (H) Establish goals for the integrated workforce education and  
19          training system.

20          (2) Require from each business, training provider, or program that  
21          receives State funding to conduct workforce education and training a report

1 that evaluates the results of the training. Each recipient shall submit its report  
2 on a schedule determined by the Commissioner and shall include at least the  
3 following information:

4 (A) name of the person who receives funding;

5 (B) amount of funding;

6 (C) activities and training provided;

7 (D) number of trainees and their general description;

8 (E) employment status of trainees

9 (F) future needs for resources.

10 (3) Review reports submitted by each recipient of workforce education  
11 and training funding.

12 (4) Issue an annual report to the Governor and the General Assembly on  
13 or before December 1 that includes a systematic evaluation of the  
14 accomplishments of the State workforce investment system and the  
15 performance of participating agencies and institutions.

16 (5) Coordinate public and private workforce programs to assure that  
17 information is easily accessible to students, employees, and employers, and  
18 that all information and necessary counseling is available through one contact.

19 (6) Facilitate effective communication between the business community  
20 and public and private educational institutions.

1 § 541. ~~WORKFORCE DEVELOPMENT COUNCIL; STATE WORKFORCE~~  
2 ~~INVESTMENT BOARD; MEMBERS, TERMS~~

3 (a) ~~The Workforce education and training Council is created as the~~  
4 ~~successor to and the continuation of the Governor's Human Resources~~  
5 ~~Investment Council and shall be the State Workforce Investment Board under~~  
6 ~~Public Law 105-220, the Workforce Investment Act of 1998, and any~~  
7 ~~reauthorization of that act. The Council shall consist of the members required~~  
8 ~~under the federal act and the following: the President of the University of~~  
9 ~~Vermont or designee; the Chancellor of the Vermont State Colleges or~~  
10 ~~designee; the President of the Vermont Student Assistance corporation or~~  
11 ~~designee; the President of the Association of Vermont Independent Colleges or~~  
12 ~~designee; a representative of the Abenaki Self Help Organization; at least two~~  
13 ~~representatives of labor appointed by the Governor in addition to the two~~  
14 ~~required under the federal act, who shall be chosen from a list of names~~  
15 ~~submitted by Vermont AFL-CIO, Vermont NEA, and the Vermont State~~  
16 ~~Employees Association; one representative of the low income community~~  
17 ~~appointed by the Governor; two members of the Senate appointed by the~~  
18 ~~Senate Committee on Committees; and two members of the house appointed~~  
19 ~~by the speaker. In addition, the Governor shall appoint enough other members~~  
20 ~~who are representatives of business or employers so that one-half plus one of~~  
21 ~~the members of the council are representatives of business or employers. At~~

1 ~~least one third of those appointed by the Governor as representatives of~~  
2 ~~business or employers shall be chosen from a list of names submitted by the~~  
3 ~~regional technical centers. As used in this section, “representative of business”~~  
4 ~~means a business owner, a chief executive operating officer, or other business~~  
5 ~~executive, and “employer” means an individual with policy making or hiring~~  
6 ~~authority, including a public school superintendent or school board member~~  
7 ~~and representatives from the nonprofit, social services, and health sectors of~~  
8 ~~the economy. If there is a dispute as to who is to represent an interest as~~  
9 ~~required under the federal law, the Governor shall decide who shall be the~~  
10 ~~member of the Council.~~

11 ~~(b) Appointed members, except legislative appointees, shall be appointed~~  
12 ~~for three year terms and serve at the pleasure of the Governor.~~

13 ~~(c) A vacancy shall be filled for the unexpired term in the same manner as~~  
14 ~~the initial appointment.~~

15 ~~(d) The Governor shall appoint one of the business or employer members~~  
16 ~~to chair the council for a term of two years. A member shall not serve more~~  
17 ~~than three consecutive terms as chair.~~

18 ~~(e) Legislative members shall be entitled to compensation and expenses as~~  
19 ~~provided in 2 V.S.A. § 406, and other members shall be entitled to~~  
20 ~~compensation and expenses as provided in 32 V.S.A. § 1010.~~

1       ~~(f) The Department of Labor shall provide the Council with administrative~~  
2       ~~support.~~

3       ~~(g) The Workforce education and training Council shall be subject to 1~~  
4       ~~V.S.A. chapter 5, subchapters 2 and 3, relating to public meetings and access~~  
5       ~~to public records.~~

6       ~~(h) [Repealed.]~~

7       ~~(i) The Workforce education and training Council shall:~~

8             ~~(1) Advise the Governor on the establishment of an integrated network~~  
9       ~~of workforce education and training for Vermont.~~

10            ~~(2) Coordinate planning and services for an integrated network of~~  
11       ~~workforce education and training and oversee its implementation at State and~~  
12       ~~regional levels.~~

13            ~~(3) Establish goals for and coordinate the State's workforce education~~  
14       ~~and training policies.~~

15            ~~(4) Speak for the workforce needs of employers.~~

16            ~~(5) Negotiate memoranda of understanding between the Council and~~  
17       ~~agencies and institutions involved in Vermont's integrated network of~~  
18       ~~workforce education and training in order to ensure that each is working to~~  
19       ~~achieve annual objectives developed by the Council.~~

20            ~~(6) Carry out the duties assigned to the State Workforce Investment~~  
21       ~~Board, as required for a single service delivery state, under P.L. 105-220, the~~

1 ~~Workforce Investment Act of 1998, and any amendments that may be made to~~  
2 ~~it.~~ [Repealed.]

3 § 541a. STATE WORKFORCE INVESTMENT BOARD

4 (a) Board established; duties. Pursuant to the requirements of 29 U.S.C.  
5 § 2821, the Governor shall establish a State Workforce Investment Board to  
6 assist the Governor in the execution of his or her duties under the Workforce  
7 Investment Act of 1998 and to assist the Commissioner of Labor as specified  
8 in section 540 of this title.

9 (b) Additional duties; planning; process. In order to inform its  
10 decision-making and to provide effective assistance under subsection (a) of  
11 this section, the Board shall:

12 (1) Conduct an ongoing public engagement process throughout the State  
13 at which Vermonters have the opportunity to provide feedback and information  
14 concerning their workforce education and training needs.

15 (2) Maintain familiarity with the federal Comprehensive Economic  
16 Development Strategy (CEDS) and other economic development planning  
17 processes, and coordinate workforce and education activities in the State,  
18 including the development and implementation of the state plan required under  
19 the Workforce Investment Act of 1998, with economic development planning  
20 processes occurring in the State, as appropriate.

1        (c) Membership. The Board shall consist of the Governor and the  
2        following members who are appointed by the Governor and serve at his or her  
3        pleasure, unless otherwise indicated:

4                (1) two Members of the Vermont House of Representatives appointed  
5                by the Speaker of the House;

6                (2) two Members of the Vermont Senate appointed by the Senate  
7                Committee on Committees;

8                (3) the President of the University of Vermont or his or her designee;

9                (4) the Chancellor of the Vermont State Colleges or his or her designee;

10               (5) the President of the Vermont Student Assistance Corporation or his  
11               or her designee;

12               (6) a representative of an independent Vermont college or university;

13               (7) the Secretary of Education or his or her designee;

14               (8) a director of a regional technical center;

15               (9) a principal of a Vermont high school;

16               (10) two representatives of labor organizations who have been  
17               nominated by State labor federations;

18               (11) two representatives of individuals and organizations who have  
19               experience with respect to youth activities, as defined in 29 U.S.C. § 2801(52);

1           (12) two representatives of individuals and organizations who have  
2           experience in the delivery of workforce investment activities, as defined in  
3           29 U.S.C. § 2801(51);

4           (13) the lead State agency officials with responsibility for the programs  
5           and activities carried out by one-stop partners, as described in 29 U.S.C.  
6           § 2841(b), or if no official has that responsibility, a representative in the State  
7           with expertise relating to these programs and activities;

8           (14) the Commissioner of Economic Development;

9           (15) the Commissioner of Labor;

10          (16) the Secretary of Human Services or his or her designee;

11          (17) two individuals who have experience in, and can speak for, the  
12          training needs of underemployed and unemployed Vermonters; and

13          (18) a number of appointees sufficient to constitute a majority of the  
14          Board who:

15                (A) are owners, chief executives, or operating officers of businesses,  
16                and other business executives or employers with optimum policymaking or  
17                hiring authority;

18                (B) represent businesses with employment opportunities that reflect  
19                the employment opportunities of the State; and

20                (C) are appointed from among individuals nominated by State  
21                business organizations and business trade associations.



1           (d) Operation of Board.

2                   (1) Member representation.

3                           (A) Members of the State Board who represent organizations,  
4                   agencies, or other entities shall be individuals with optimum policymaking  
5                   authority within the organizations, agencies, or entities.

6                           (B) The members of the Board shall represent diverse regions of the  
7                   State, including urban, rural, and suburban areas.

8                           (2) Chair. The Governor shall select a chair for the Board from among  
9                   the business representatives appointed pursuant to subdivision (c)(18) of this  
10                   section.

11                           (3) Meetings. The Board shall meet at least three times annually and  
12                   shall hold additional meetings upon call of the Chair.

13                           (4) Work groups; task forces. The Chair, in consultation with the  
14                   Commissioner of Labor, may:

15                                   (A) assign one or more members to work groups to carry out the  
16                   work of the Board; and

17                                   (B) appoint one or more members of the Board, or non-members of  
18                   the Board, or both, to one or more task forces for a discrete purpose and  
19                   duration.

20                           (5) Quorum; meetings; voting.

1           (A) A majority of the sitting members of the Board shall constitute a  
2           quorum, and to be valid any action taken by the Board shall be authorized by a  
3           majority of the members present and voting at any regular or special meeting at  
4           which a quorum is present.

5           (B) The Board may permit one or more members to participate in a  
6           regular or special meeting by, or conduct the meeting through the use of, any  
7           means of communication, including an electronic, telecommunications, and  
8           video- or audio-conferencing conference telephone call, by which all members  
9           participating may simultaneously or sequentially communicate with each other  
10          during the meeting. A member participating in a meeting by this means is  
11          deemed to be present in person at the meeting.

12          (C) The Board shall deliver electronically the minutes for each of its  
13          meetings to each member of the Board and to the Chairs of the House  
14          Committees on Education and on Commerce and Economic Development, and  
15          to the Senate Committees on Education and on Economic Development,  
16          Housing and General Affairs.

17          (6) Reimbursement.

18          (A) Legislative members of the Board shall be entitled to  
19          compensation and expenses as provided in 2 V.S.A. § 406.

20          (B) Unless otherwise compensated by his or her employer for  
21          performance of his or her duties on the Board, a nonlegislative member of the

1 Board shall be eligible for per diem compensation of \$50.00 per day for  
2 attendance at a meeting of the Board, and for reimbursement of his or her  
3 necessary expenses, which shall be paid by the Department of Labor solely  
4 from funds available for that purpose under the Workforce Investment Act  
5 of 1998.

6 (7) Conflict of interest. A member of the Board shall not:

7 (A) vote on a matter under consideration by the Board:

8 (i) regarding the provision of services by the member, or by an  
9 entity that the member represents; or

10 (ii) that would provide direct financial benefit to the member or  
11 the immediate family of the member; or

12 (B) engage in any activity that the Governor determines constitutes a  
13 conflict of interest as specified in the State Plan required under 29 U.S.C.  
14 § 2822.

15 (8) Sunshine provision. The Board shall make available to the public,  
16 on a regular basis through open meetings, information regarding the activities  
17 of the Board, including information regarding the State Plan adopted  
18 pursuant to 29 U.S.C. § 2822 and prior to submission of the State Plan to the  
19 U.S. Secretary of Labor, information regarding membership, and, on request,  
20 minutes of formal meetings of the Board.

1     § 541b. WORKFORCE EDUCATION AND TRAINING; DUTIES OF  
2             OTHER STATE AGENCIES, DEPARTMENTS, AND PRIVATE  
3             PARTNERS

4             (a) To ensure the Workforce Investment Board and the Commissioner of  
5             Labor are able to fully perform their duties under this chapter, each agency and  
6             department within State government, and each person who receives funding  
7             from the State, shall comply within a reasonable period of time with a request  
8             for data and information made by the Board or the Commissioner in  
9             furtherance of their duties under this chapter.

10            (b) The Agency of Commerce and Community Development shall  
11            coordinate its work in adopting a statewide economic development plan with  
12            the activities of the Board and the Commissioner of Labor, including the  
13            development and implementation of the state plan for workforce education and  
14            training required under the Workforce Investment Act of 1998.

15     § 542. REGIONAL WORKFORCE DEVELOPMENT EDUCATION AND  
16             TRAINING

17            (a) The Commissioner of Labor, in coordination with the Secretary of  
18            Commerce and Community Development, and in consultation with the  
19            ~~Workforce education and training Council~~ Investment Board, is authorized to  
20            issue performance grants to one or more persons to perform workforce  
21            education and training activities in a region.

1 (b) Each grant shall specify the scope of the workforce education and  
2 training activities to be performed and the geographic region to be served, and  
3 shall include outcomes and measures to evaluate the grantee's performance.

4 (c) The Commissioner of Labor and the Secretary of Commerce and  
5 Community Development shall jointly develop a grant process and eligibility  
6 criteria, as well as an outreach process for notifying potential participants of  
7 the grant program. The Commissioner of Labor shall have final authority to  
8 approve each grant.

9 § 543. WORKFORCE EDUCATION AND TRAINING FUND; GRANT  
10 PROGRAMS

11 (a) Creation. There is created a Workforce Education and Training Fund in  
12 the ~~department of labor~~ Department of Labor to be managed in accordance  
13 with 32 V.S.A. chapter 7, subchapter 5.

14 (b) Purposes. The Fund shall be used exclusively for the following ~~two~~  
15 purposes:

16 (1) training ~~to improve the skills of~~ for Vermont workers, including  
17 those who are unemployed, underemployed, or in transition from one job or  
18 career to another; and

19 (2) internships to provide students with work-based learning  
20 opportunities with Vermont employers; and

21 (3) apprenticeship-related instruction.

1           (c) Administrative Support. Administrative support for the grant award  
2 process shall be provided by the ~~Departments~~ Department of Labor and of  
3 ~~Economic Development~~. Technical, ~~administrative, financial, and other~~  
4 support shall be provided whenever appropriate and reasonable by the  
5 Workforce ~~Development Council~~ Investment Board and all other public  
6 entities involved in ~~Economic Development, workforce development and~~  
7 ~~training, and education~~ economic development and workforce education and  
8 training.

9           (d) Eligible Activities. Awards from the Fund shall be made to employers  
10 and entities that offer programs that require collaboration between employees  
11 and businesses, including private, public, and nonprofit entities, institutions of  
12 higher education, high schools, technical centers, and workforce education and  
13 training programs. Funding shall be for training programs and student  
14 internship programs that offer education, training, apprenticeship, mentoring,  
15 or work-based learning activities, or any combination; that employ innovative  
16 intensive student-oriented competency-based or collaborative approaches to  
17 workforce education and training; and that link workforce education and  
18 economic development strategies. Training programs or projects that  
19 demonstrate actual increased income and economic opportunity for employees  
20 and employers may be funded for more than one year. Student internships and

1 training programs that involve the same employer may be funded multiple  
2 times, provided that new students participate.

3 (e) ~~Award Criteria and Process. The Workforce education and training~~  
4 ~~Council, in consultation with the Commissioners of Labor and of Economic~~  
5 ~~Development and the Secretary of Education, shall develop criteria consistent~~  
6 ~~with subsection (d) of this section for making awards under this section. The~~  
7 ~~Commissioners of Labor and of Economic Development and the Secretary of~~  
8 ~~Education, shall develop a process for making awards. [Repealed].~~

9 (f) Awards. ~~Based on guidelines set by the council, the~~ The Commissioner  
10 ~~of labor, and the Secretary of Education~~ Labor, in consultation with the  
11 Workforce Investment Board, shall jointly develop award criteria and may  
12 make awards to the following:

13 (1) Training Programs.

14 (A) Public, private, and nonprofit entities for existing or new  
15 innovative training programs. ~~Awards may be made to programs that retrain~~  
16 ~~incumbent workers~~ that enhance the skills of Vermont workers and:

17 (i) train workers for trades or occupations that are expected to lead  
18 to jobs paying at least 200 percent of the current minimum wage or at least  
19 150 percent if benefits are included; this requirement may be waived when  
20 warranted based on regional or occupational wages or economic reality;

1                    (ii) do not duplicate, supplant, or replace other available programs  
2                    funded with public money;

3                    (iii) articulate clear goals and demonstrate readily accountable,  
4                    reportable, and measurable results; and

5                    (iv) demonstrate an integrated connection between training and  
6                    specific new or continuing employment opportunities.

7                    (B) Awards under this subdivision shall be made to programs or  
8                    projects that ~~do all the following~~:

9                    ~~(A)(i)~~ offer innovative programs of intensive, student-centric,  
10                    competency-based education, training, apprenticeship, mentoring, or any  
11                    combination of these;

12                    ~~(B)(ii)~~ address the needs of workers who are unemployed,  
13                    underemployed, or are at risk of becoming unemployed due to changing  
14                    workplace demands by increasing productivity and developing new skills for  
15                    incumbent workers; or

16                    (iii) in the discretion of the Commissioner, otherwise serve the  
17                    purposes of this chapter.

18                    ~~(C) train workers for trades or occupations that are expected to lead~~  
19                    ~~to jobs paying at least 200 percent of the current minimum wage or at least 150~~  
20                    ~~percent if benefits are included; this requirement may be waived when~~  
21                    ~~warranted based on regional or occupational wages or economic reality;~~



1           ~~(D) do not duplicate, supplant, or replace other available programs~~  
2           ~~funded with public money;~~

3           ~~(E) articulate clear goals and demonstrate readily accountable,~~  
4           ~~reportable, and measurable results;~~

5           ~~(F) demonstrate an integrated connection between training and~~  
6           ~~specific employment opportunities, including an effort and consideration by~~  
7           ~~participating employers to hire those who successfully complete a training~~  
8           ~~program; and~~

9           (2) Vermont Career Internship Program. Funding for eligible internship  
10          programs and activities under the Vermont Career Internship Program  
11          established in section 544 of this title.

12          (3) Apprenticeship Program. The Vermont Apprenticeship Program  
13          established under 21 V.S.A. chapter 13. Awards under this subdivision may be  
14          used to fund the cost of apprenticeship-related instruction provided by the  
15          Department of Labor.

16          (g) [Repealed.]

17          § 544. VERMONT CAREER INTERNSHIP PROGRAM

18          (a)(1) The Department of Labor, in consultation with the Agency of  
19          Education, shall develop and implement a statewide Vermont Career  
20          Internship Program for Vermonters who are in high school or in college and  
21          for those who are recent graduates of 24 months or less.

1           (2) The Department of Labor shall coordinate and provide funding to  
2 public and private entities for internship programs that match Vermont  
3 employers with students from public and private secondary schools, regional  
4 technical centers, the Community High School of Vermont, colleges, and  
5 recent graduates of 24 months or less.

6           (3) Funding awarded through the Vermont Career Internship Program  
7 may be used to administer an internship program and to provide participants  
8 with a stipend during the internship, based on need. Funds may be made only  
9 to programs or projects that do all the following:

10           (A) do not replace or supplant existing positions;

11           (B) create real workplace expectations and consequences;

12           (C) provide a process that measures progress toward mastery of  
13 skills, attitude, behavior, and sense of responsibility required for success in that  
14 workplace;

15           (D) are designed to motivate and educate secondary and  
16 postsecondary students and recent graduates through work-based learning  
17 opportunities with Vermont employers that are likely to lead to real  
18 employment;

19           (E) include mechanisms that promote employer involvement with  
20 secondary and postsecondary students and curriculum and the delivery of  
21 education at the participating schools; and

1 (F) offer participants a continuum of learning, experience, and  
2 relationships with employers that will make it financially possible and  
3 attractive for graduates to continue to work and live in Vermont.

4 (4) ~~For the purposes of~~ As used in this section, “internship” means a  
5 learning experience working with an employer where the intern may, but does  
6 not necessarily, receive academic credit, financial remuneration, a stipend, or  
7 any combination of these.

8 (b) The Department of Labor, in collaboration with the Agencies of  
9 Agriculture, Food and Markets and of Education, ~~state-funded~~ State-funded  
10 postsecondary educational institutions, the Workforce ~~Development Council~~  
11 Investment Board, and other ~~state~~ State agencies and departments that have  
12 workforce education and training and training monies, shall:

13 (1) identify new and existing funding sources that may be allocated to  
14 the Vermont Career Internship Program;

15 (2) collect data and establish program goals and quantifiable  
16 performance measures for internship programs funded through the Vermont  
17 Career Internship Program;

18 (3) develop or enhance a website that will connect students and  
19 graduates with internship opportunities with Vermont employers;

1 (4) engage appropriate agencies and departments of the State in the  
2 Internship Program to expand internship opportunities with State government  
3 and with entities awarded State contracts; and

4 (5) work with other public and private entities to develop and enhance  
5 internship programs, opportunities, and activities throughout the State. Sec. 29.  
6 10 V.S.A. chapter 22 is amended to read:

7 CHAPTER 22. ~~EMPLOYMENT~~ THE VERMONT  
8 TRAINING PROGRAM

9 § 531. ~~EMPLOYMENT~~ THE VERMONT TRAINING PROGRAM

10 (a)(1) The Secretary of Commerce and Community Development ~~may, in~~  
11 consultation with the Workforce Investment Board, shall have the authority to  
12 design and implement a Vermont Training Program, the purpose of which shall  
13 be to issue performance-based grants to any employer, consortium of  
14 employers, or providers of training, either individuals or organizations, as  
15 necessary, to conduct training under the following circumstances: to  
16 employers and to education and training providers to increase employment  
17 opportunities in Vermont consistent with this chapter.

18 (2) The Secretary shall structure the Vermont Training Program to serve  
19 as a flexible, nimble, and strategic resource for Vermont businesses and  
20 workers across all sectors of the economy.

1           ~~(1) when issuing grants to an employer or consortium of employers, the~~  
2           ~~employer promises as a condition of the grant to where eligible facility is~~  
3           ~~defined as in subdivision 212(6) of this title relating to the Vermont Economic~~  
4           ~~Development Authority, or the employer or consortium of employers promises~~  
5           ~~to open an eligible facility within the State which will employ persons,~~  
6           ~~provided that for the purposes of this section, eligible facility may be broadly~~  
7           ~~interpreted to include employers in sectors other than manufacturing; and~~

8           ~~(2) training is required for potential employees, new employees, or long-~~  
9           ~~standing employees in the methods, either singularly or in combination relating~~  
10           ~~to pre-employment training, on-the-job training, upgrade training, and~~  
11           ~~crossover training, or specialized instruction, either in plant or through a~~  
12           ~~training provider.~~

13           (b) Eligibility for grant. The Secretary of Commerce and Community  
14           Development may award a grant to an employer if:

15           ~~(1) the employer's new or expanded initiative will enhance employment~~  
16           ~~opportunities for Vermont residents; the training is for pre-employment, new~~  
17           ~~employees, or incumbent employees in the methods, either singularly or in~~  
18           ~~combination, relating to pre-employment training, on-the-job training, upgrade~~  
19           ~~training, and crossover training, or specialized instruction, either on-site or~~  
20           ~~through a training provider;~~

1           (2) the employer provides its employees with at least three of the  
2 following:

3           (A) health care benefits with 50 percent or more of the premium paid  
4 by the employer;

5           (B) dental assistance;

6           (C) paid vacation ~~and~~;

7           (D) paid holidays;

8           ~~(D)~~(E) child care;

9           ~~(E)~~(F) other extraordinary employee benefits;

10          ~~(F)~~(G) retirement benefits; ~~and~~

11          (H) other paid time off, including paid sick days;

12          (3) the training is directly related to the employment responsibilities of  
13 the trainee; and

14          (4) unless modified by the Secretary if warranted based on regional or  
15 occupational wages or economic reality, the training is expected to lead to a  
16 position for which the employee is compensated at least twice the State  
17 minimum wage, reduced by the value of any benefit package up to a limit of  
18 30 percent of the employee's gross wage; provided that for each grant in which  
19 the Secretary modifies the compensation provisions of this subdivision, he or  
20 she shall identify in the records for that grant the basis and nature of the  
21 modification.

1           (c) ~~The employer promises as a condition of the grant to:~~

2                   (1) ~~employ new persons at a wage which, at the completion of the~~  
3 ~~training program, is two times the prevailing state or federal minimum wage,~~  
4 ~~whichever is greater, reduced by the value of any existing health benefit~~  
5 ~~package up to a limit of 30 percent of the gross program wage, or for existing~~  
6 ~~employees, to increase the wage to two times the prevailing state and federal~~  
7 ~~minimum wage, whichever is greater, reduced by the value of any existing~~  
8 ~~health benefit package up to a limit of 20 percent of the gross program wage,~~  
9 ~~upon completion of training; provided, however, that in areas defined by the~~  
10 ~~Secretary of Commerce and Community Development in which the Secretary~~  
11 ~~finds that the rate of unemployment is 50 percent greater than the average for~~  
12 ~~the State, the wage rate under this subsection may be set by the Secretary at a~~  
13 ~~rate no less than one and one half times the federal or state minimum wage,~~  
14 ~~whichever is greater;~~

15                   (2) ~~employ persons who have completed the training provided for them~~  
16 ~~and nominated as qualified for a reasonable period at the wages and~~  
17 ~~occupations described in the contract, unless the employer reasonably finds the~~  
18 ~~nominee is not qualified;~~

19                   (3) ~~provide its employees with at least three of the following:~~

20                           (A) ~~health care benefits with 50 percent or more of the premium paid~~  
21 ~~by the employer;~~

- 1           ~~(B) dental assistance;~~
- 2           ~~(C) paid vacation and holidays;~~
- 3           ~~(D) child care;~~
- 4           ~~(E) other extraordinary employee benefits; and~~
- 5           ~~(F) retirement benefits.~~

6           ~~(4) submit a customer satisfaction report to the Secretary of Commerce~~  
7 ~~and Community Development, on a form prepared by the Secretary for that~~  
8 ~~purpose, no more than 30 days from the last day of the training program.~~

9           In the case of a grant to a training provider, the Secretary shall require as a  
10 condition of the grant that the provider shall disclose to the Secretary the name  
11 of the employer and the number of employees trained prior to final payment  
12 for the training.

13           (d) In order to avoid duplication of programs or services and to provide the  
14 greatest return on investment from training provided under this section, the  
15 Secretary of Commerce and Community Development shall:

16           ~~(1) first consult with the Commissioner of Labor regarding whether the~~  
17 ~~grantee has accessed, or is eligible to access, other workforce education and~~  
18 ~~training resources offered by public or private workforce education and~~  
19 ~~training partners;~~

20           (2) disburse grant funds only for training hours that have been  
21 successfully completed by employees; provided that a grant for on-the-job



1 training shall either provide not more than 50 percent of wages for each  
2 employee in training, or not more than 50 percent of trainer expense, but not  
3 both, and further provided that training shall be performed in accordance with  
4 a training plan that defines the subject of the training, the number of training  
5 hours, and how the effectiveness of the training will be evaluated; and

6 (3) use funds under this section only to supplement training efforts of  
7 employers and not to replace or supplant training efforts of employers.

8 (e) ~~The Secretary of Commerce and Community Development shall~~  
9 ~~administer all training programs under this section, may select and use~~  
10 ~~providers of training as appropriate, and shall adopt rules and may accept~~  
11 ~~services, money, or property donated for the purposes of this section. The~~  
12 ~~Secretary may promote awareness of, and may give priority to, training that~~  
13 ~~enhances critical skills, productivity, innovation, quality, or competitiveness,~~  
14 ~~such as training in Innovation Engineering, “Lean” systems, and ISO~~  
15 ~~certification for expansion into new markets. [Repealed.]~~

16 (f) Upon completion of the training program for any individual, the  
17 secretary of Commerce and Community Development shall review the records  
18 and shall award to the trainee, if appropriate, a certificate of completion for the  
19 training.

1       ~~(g) None of the criteria in subdivision (a)(1) of this section shall apply to a~~  
2       ~~designated job development zone under chapter 29, subchapter 2 of this title.~~

3       ~~[Repealed.]~~

4       ~~(h) The Secretary may designate the Commissioner of Economic~~  
5       ~~Development to carry out his or her powers and duties under this chapter.~~

6       ~~[Repealed.]~~

7       ~~(i) Program Outcomes.~~

8               ~~(1) On or before September 1, 2011, the Agency of Commerce and~~  
9       ~~Community Development, in coordination with the department of labor, and in~~  
10       ~~consultation with the Workforce education and training Council and the~~  
11       ~~legislative Joint Fiscal Office, shall develop, to the extent appropriate, a~~  
12       ~~common set of benchmarks and performance measures for the training~~  
13       ~~program established in this section and the Workforce Education and Training~~  
14       ~~Fund established in section 543 of this title, and shall collect employee-specific~~  
15       ~~data on training outcomes regarding the performance measures; provided,~~  
16       ~~however, that the Secretary shall redact personal identifying information from~~  
17       ~~such data.~~

18               ~~(2) On or before January 15, 2013, the Joint Fiscal Office shall prepare a~~  
19       ~~performance report using the benchmarks and performance measures created~~  
20       ~~pursuant to subdivision (1) of this subsection. The Joint Fiscal Office shall~~  
21       ~~submit its report to the Senate Committee on Economic Development, Housing~~

1 ~~and General Affairs and the House Committee on Commerce and Economic~~  
2 ~~Development.~~

3 ~~(3) The Secretary shall use information gathered pursuant to this~~  
4 ~~subsection and customer satisfaction reports submitted pursuant to subdivision~~  
5 ~~(c)(4) of this section to evaluate the program and make necessary changes that~~  
6 ~~fall within the Secretary's authority or, if beyond the scope of the Secretary's~~  
7 ~~authority, to recommend necessary changes to the appropriate committees of~~  
8 ~~the General Assembly. [Repealed.]~~

9 ~~(j) Consistent with the training program's goal of providing specialized~~  
10 ~~training and increased employment opportunities for Vermonters, and~~  
11 ~~notwithstanding provisions of this section to the contrary, the Secretary shall~~  
12 ~~canvas apprenticeship sponsors to determine demand for various levels of~~  
13 ~~training and classes and shall transfer up to \$250,000.00 annually to the~~  
14 ~~regional technical centers to fund or provide supplemental funding for~~  
15 ~~apprenticeship training programs leading up to certification or licensing as~~  
16 ~~journeyman or master electricians or plumbers. The Secretary shall seek to~~  
17 ~~provide these funds equitably throughout Vermont; however, the Secretary~~  
18 ~~shall give priority to regions not currently served by apprenticeship programs~~  
19 ~~offered through the Vermont Department of Labor pursuant to 21 V.S.A.~~  
20 ~~chapter 13. [Repealed].~~

1 (k) Annually on or before January 15, the Secretary shall submit a report to  
2 the House Committee on Commerce and Economic Development and the  
3 Senate Committee on Economic Development, Housing and General Affairs  
4 ~~summarizing.~~ In addition to the reporting requirements under section 540 of  
5 this title, the report shall identify:

6 (1) all active and completed contracts and grants;

7 (2) the types of training activities provided, from among the following,  
8 the category the training addressed:

9 (A) pre-employment training or other training for a new employee to  
10 begin a newly created position with the employer;

11 (B) pre-employment training or other training for a new employee to  
12 begin in an existing position with the employer;

13 (C) training for an incumbent employee who, upon completion of  
14 training, assumes a newly created position with the employer;

15 (D) training for an incumbent employee who upon completion of  
16 training assumes a different position with the employer;

17 (E) training for an incumbent employee to upgrade skills;

18 (3) for the training identified in subdivision whether the training is  
19 onsite or classroom-based;

20 (4) the number of employees served, and ;

21 (5) the average wage by employer, and addressing ;

1           (6) any waivers granted;

2           (7) the identity of the employer, or, if unknown at the time of the report,  
3           the category of employer;

4           (8) the identity of each training provider; and

5           (9) whether training results in a wage increase for a trainee, and the  
6           amount of increase.

7           Sec. 30. REPEAL

8           2007 Acts and Resolves No. 46, Sec. 6(a), as amended by 2009 Acts and  
9           Resolves No. 54, Sec. 8 (workforce education and training leader) and 2013  
10          Acts and Resolves No. 81, Sec. 2, is repealed.

11          Sec. 31. DEPARTMENT OF LABOR; AGENCY OF COMMERCE AND  
12                  COMMUNITY DEVELOPMENT; STATUTORY PROPOSALS

13          On or before November 1, 2014:

14                  (1) The Commissioner of Labor shall submit to the House Committee on  
15                  Commerce and Economic Development and the Senate Committee on  
16                  Economic Development, Housing and General Affairs a proposal to amend the  
17                  language of 10 V.S.A. § 543 to reflect best practices and improve clarity in the  
18                  administration of, and for applicants to, the grant program from the Workforce  
19                  Education and Training Fund under that section.

20                  (2) The Secretary of Commerce and Community Development shall  
21                  submit to the House Committee on Commerce and Economic Development

1 and the Senate Committee on Economic Development, Housing and General  
2 Affairs a proposal to amend the language of 10 V.S.A. § 531 to reflect best  
3 practices and improve clarity in the administration of, and for applicants to, the  
4 Vermont Training Program under that section.

5 Sec. 32. INTERNSHIP OPPORTUNITIES FOR YOUNG PERSONS

6 On or before January 15, 2015, the Commissioner of Labor shall submit to  
7 the House Committee on Commerce and Economic Development and the  
8 Senate Committee on Economic Development, Housing and General Affairs a  
9 report that details the internship opportunities available to Vermonters between  
10 15 and 18 years of age and recommends one or more means to expand these  
11 opportunities through the Vermont Career Internship Program, 10 V.S.A.  
12 § 544, or through other appropriate mechanisms.

13 \* \* \* Vermont Strong Scholars Program \* \* \*

14 Sec. 33. 16 V.S.A. chapter 90 is redesignated to read:

15 CHAPTER 90. FUNDING OF POSTSECONDARY INSTITUTIONS

16 EDUCATION

17 Sec. 34. 16 V.S.A. § 2888 is added to read:

18 § 2888. VERMONT STRONG SCHOLARS AND INTERNSHIP

19 INITIATIVE

20 (a) Creation.

1           (1) There is created a postsecondary loan forgiveness and internship  
2           initiative designed to forgive a portion of Vermont Student Assistance  
3           Corporation loans of students **enrolled in majors** **employed in economic sectors**  
4           identified as important to Vermont’s economy and to build internship  
5           opportunities for students to gain work experience with Vermont employers.

6           (2) The initiative shall be known as the Vermont Strong Scholars and  
7           Internship Initiative and will encourage students to:

8                   (A) **select majors that prepare them for** **consider** **jobs in economic**  
9                   **sectors** that are critical to the Vermont economy;

10                   (B) enroll and remain enrolled in a Vermont postsecondary  
11                   institution;

12                   (B) live in Vermont upon graduation;

13                   (C) reduce student loan debt for postsecondary education in targeted  
14                   fields;

15                   (D) provide experiential learning through internship opportunities  
16                   with Vermont employers; and

17                   (E) support a pipeline of qualified talent for employment with  
18                   Vermont’s employers.

19           (b) **Vermont Strong Loan Forgiveness Program.**

20                   (1) **Economic sectors**; projections.

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

7           (i) are offered by the Vermont State Colleges, the University of  
8 Vermont, or Vermont independent colleges; and

9           (ii) lead to jobs the Secretary has identified as are or will be  
10 critical to the Vermont economy.

11           (B) The Secretary of Commerce and Community Development shall  
12 prioritize the identified majors and areas of concentration and shall select a  
13 similar number of associate's degree and bachelor's degree programs. A major  
14 major or area of concentration shall be identified as eligible for this Program  
15 for no less than two years.

16           (C) Based upon the identified majors and areas of concentration  
17 economic sectors and the number of students anticipated to qualify for loan  
18 forgiveness under this section, the Secretary Administration shall annually  
19 provide the General Assembly with the estimated cost of the Vermont Student  
20 Assistance Corporation's loan forgiveness awards under the loan forgiveness



1 program during the then-current fiscal year and each of the four following  
2 fiscal years.

3 (2) Eligibility. An individual shall be eligible for forgiveness of a  
4 portion of his or her Vermont Student Assistance Corporation postsecondary  
5 education loans under this subsection if he or she:

6 (A) was classified as a Vermont resident by the Vermont  
7 postsecondary institution from which he or she was graduated;

8 ~~(B) is a graduate of an eligible institution;~~

9 ~~(A) shall does not hold a prior bachelor's degree and was awarded an~~  
10 ~~associate's or bachelor's degree in a field major or area of concentration~~  
11 ~~identified pursuant to subsection (b) of this section subdivision (1) of this~~  
12 ~~subsection;~~

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

15 (C) becomes employed in Vermont within 12 months of graduation  
16 in a field or specific position closely related to the identified degree, an  
17 economic sector identified by the Secretary and Commissioner under  
18 subdivision (1) of this subsection

19 (D) remains employed in Vermont throughout the period of loan  
20 forgiveness in an economic sector identified by the Secretary and  
21 Commissioner under subdivision (1) of this subsection; and

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

2           (3) Loan forgiveness.

3           ~~(A)~~ An eligible individual shall have a portion of his or her Vermont  
4           Student Assistance Corporation loan forgiven as follows:

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

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

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

17           (4) Management.

18           (A) The Secretary of Commerce and Community Development shall  
19           develop all organizational details of the loan forgiveness program consistent  
20           with the purposes and requirements of this section, including the identification  
21           of eligible major programs and eligible jobs.

1           (B) The Secretary ~~may contract~~ shall enter into a memorandum of  
2           understanding with the Vermont Student Assistance Corporation for  
3           management of the loan forgiveness program.

4           (C) The Secretary may adopt rules pursuant to 3 V.S.A. chapter 25  
5           necessary to implement the Program.

6           (c) Vermont Strong Internship Program.

7           (1) Internship program management.

8           (A) The Commissioner of Labor and the Secretary of Commerce and  
9           Community Development shall jointly develop and implement the  
10           organizational details of the internship program consistent with the purposes  
11           and requirements of this section and may adopt rules pursuant to 3 V.S.A.  
12           chapter 25 necessary to implement the internship program.

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

18           (C) The Department of Labor, the Agency of Commerce and  
19           Community Development, the regional development corporations, and the  
20           Intermediary, shall have responsibility for building connections within the

1 business community to ensure broad private sector participation in the  
2 internship program.

3 (D) The Program Intermediary shall:

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

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

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

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

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

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

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

20 (2) Qualifying internships.

1           (A) Criteria. To qualify for participation in the internship program an  
2 internship shall at minimum:

3           (i) be with a Vermont employer as approved by the Intermediary  
4 in consultation with the Commissioner and Secretary;

5           (ii) pay compensation to an intern of at least the prevailing  
6 minimum wage; and

7           (iii) meet the quality standards and expectations as established by  
8 the Intermediary.

9           (B) Employment of interns. Interns shall be employed by the  
10 sponsoring employer except, with the approval of the Commissioner on a  
11 case-by-case basis, interns may be employed by the Intermediary and assigned  
12 to work with a participating Vermont employer, in which case the sponsoring  
13 employer shall contribute funds as determined by the Commissioner.

14           (3) Student eligibility. To participate in the internship program an  
15 individual shall be:

16           (A) a Vermont resident enrolled in a post-secondary institution in or  
17 outside Vermont;

18           (B) a student who graduated from a post-secondary institution within  
19 24 months of entering the program who was classified as a Vermont resident  
20 during that schooling or who is a student who attended a post-secondary  
21 institution in Vermont; or

1           (C) a student enrolled in a Vermont post-secondary institution.

2           (d) Funding.

3           (1) Loan forgiveness program.

4           (A) There is created a special fund to be known as the Vermont  
5           Strong Scholars Fund pursuant to 32 V.S.A. chapter 7, subchapter 5, which  
6           shall be used and administered solely for the purposes of loan forgiveness  
7           pursuant to this section.

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

11          (C) Any interest earned and any remaining balance at the end of the  
12          fiscal year shall be carried forward in the Fund.

13          (D) The availability and payment of loan forgiveness awards under  
14          this section are subject to funding available for the awards.

15          (2) Internship program. Notwithstanding any provision of law to the  
16          contrary, the Commissioner of Labor shall have the authority to use funds  
17          allocated to the Workforce Education and Training Fund established in  
18          10 V.S.A. § 543 to implement the internship program created in this section.

19          Sec. 35. VERMONT STRONG INTERIM REPORT

20          On or before November 1, 2014, the Secretary of Commerce and  
21          Community Development shall report to the Joint Fiscal Committee on the

1 organizational and economic details of the Vermont Strong Scholars Initiative,

2 including:

3 (1) the economic sectors selected for loan forgiveness;

4 (2) the projected annual cost of the Initiative,

5 (3) the proposed funding sources;

6 (4) programmatic proposals and economic projections on the feasibility

7 and impacts of expanding eligibility for the loan forgiveness program to

8 include Vermont residents who attend postsecondary institutions outside of

9 Vermont and out-of-state residents who attend Vermont postsecondary

10 institutions; and

11 (5) the projected balance of the Vermont Strong Scholars Fund for each

12 fiscal year through fiscal year 2018.

13 **Sec. 36. VERMONT PRODUCTS PROGRAM; STUDY; REPORT**

14 (a) The Secretary of Commerce and Community Development, the

15 Secretary of Agriculture, Food and Markets, and the Vermont Attorney

16 General, shall collaborate to identify the issues, stakeholders, and processes

17 necessary to consider whether and how to:

18 (1) provide Vermont businesses with a means of promoting and

19 marketing products and services that are manufactured, designed, engineered,

20 or formulated in Vermont and to avoid confusion by consumers when the

21 Vermont brand is used in marketing products or services; and

