

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

<u>Proposal</u>	<u>House Proposal of Amendment to S.220 (Draft 1.1)</u>	<u>S.220 As Passed Senate</u>
<p style="text-align: center;">One Stop Shop Web Portal</p>	<p>Sec. 1. ONE-STOP SHOP WEB PORTAL</p> <p><u>(a) Purpose. The State of Vermont seeks to simplify and expedite the process for business creation and growth by providing:</u></p> <p><u>(1) a clear guide to resources and technical assistance for all phases of business development;</u></p> <p><u>(2) a directory of financial assistance, including grants, funding capital, tax credits, and incentives;</u></p> <p><u>(3) a directory of workforce development assistance, including recruiting, job postings, and training;</u></p> <p><u>(4) a link to centralized business services available from the Secretary of State, the Department of Labor, the Department of Taxes, and others; and</u></p> <p><u>(5) agency contacts and links for available services and resources.</u></p> <p><u>(b) Administration. On or before June 30, 2015, the Secretary of State, Department of Taxes, Department of Labor, the Vermont Attorney General, the Agency of Commerce and Community Development, and the Agency of Administration shall coordinate with other relevant agencies and departments within State government and outside partners, including regional development corporations, regional planning commissions, and small business development centers, to provide comprehensive business services, regional coaching teams, print materials, other outreach, and a “One-Stop Shop” website, consistent with the following timeline:</u></p> <p><u>(1) Phase 1. Complete necessary partner outreach and collaboration and an inventory of existing websites, determine the appropriate content to be included on the One-Stop website, and update current websites to include links to State agencies and departments with regulatory oversight and authority over Vermont businesses.</u></p>	<p>Sec. 1. ONE STOP SHOP WEB PORTAL</p> <p><u>(a) In order to simplify the process for business creation and growth, the Office of the Secretary of State, Department of Taxes, Department of Labor, the Vermont Attorney General, the Agency of Commerce and Community Development, and the Agency of Administration have formed a Business Portal Committee to create an online “one-stop shop” for business registration, business entity creation, and registration compliance.</u></p> <p><u>(b) On or before January 15, 2015, the Business Portal Committee shall report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development to inform the committees of the status of the project and a timeline for its completion.</u></p>

	<p><u>(2) Phase 2. Edit and organize the content to be included on the One-Stop website.</u></p> <p><u>(3) Phase 3. Complete the design and mapping of the One-Stop website.</u></p> <p><u>(4) Phase 4. Complete a communications and outreach plan with a final funding proposal for the project.</u></p>	
<p>Vermont Entrepreneurial Lending Program</p>	<p>Sec. 2. 10 V.S.A. chapter 12 is amended to read:</p> <p style="text-align: center;">CHAPTER 12. VERMONT ECONOMIC DEVELOPMENT AUTHORITY * * *</p> <p style="text-align: center;">Subchapter 12. Technology Loan Vermont Entrepreneurial Lending Program</p> <p>§ 280aa. FINDINGS AND PURPOSE</p> <p>(a)(1) Technology-based companies Vermont-based businesses in seed, start-up, and growth-stages are a vital source of innovation, employment, and economic growth in Vermont. The continued development and success of this increasingly important sector of Vermont's economy these businesses is dependent upon the availability of flexible, risk-based capital.</p> <p>(2) Because the primary assets of technology-based companies sometimes Vermont-based businesses in seed, start-up, and growth-stages often consist almost entirely of intellectual property or insufficient tangible assets to support conventional lending, such these companies frequently do may not have access to conventional means of raising capital, such as asset-based bank financing.</p> <p>(b) To support the growth of technology-based companies Vermont-based businesses in seed, start-up, and growth-stages and the resultant creation of high-wage higher wage employment in Vermont, a technology loan program is established under this subchapter the General Assembly hereby creates in this subchapter the Vermont Entrepreneurial Lending Program to support the growth and development of seed, start-up, and growth-stage businesses.</p>	<p>Sec. 2. 10 V.S.A. chapter 12 is amended to read:</p> <p style="text-align: center;">CHAPTER 12. VERMONT ECONOMIC DEVELOPMENT AUTHORITY * * *</p> <p style="text-align: center;">Subchapter 12. Technology Loan Vermont Entrepreneurial Lending Program</p> <p>§ 280aa. FINDINGS AND PURPOSE</p> <p>(a)(1) Technology-based companies Vermont-based seed, start-up, and early growth-stage businesses are a vital source of innovation, employment, and economic growth in Vermont. The continued development and success of this increasingly important sector of Vermont's economy these businesses is dependent upon the availability of flexible, risk-based capital.</p> <p>(2) Because the primary assets of technology-based companies sometimes seed, start-up, and early growth-stage businesses often consist almost entirely of intellectual property or insufficient tangible assets to support conventional lending, such these companies frequently do not have access to conventional means of raising capital, such as asset-based bank financing.</p> <p>(b) To support the growth of technology-based companies seed, start-up, and early growth-stage businesses and the resultant creation of high-wage employment in Vermont, a technology loan program is established under this subchapter the General Assembly hereby creates in this subchapter the Vermont Entrepreneurial Lending Program to support the growth and development of seed, start-up, and early growth-stage businesses.</p>

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

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

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

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

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

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

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

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

	<p><u>(2) The business is located in a designated downtown, village center, growth center, industrial park, or other significant geographic location recognized by the State.</u></p> <p><u>(3) The business adopts energy and thermal efficiency practices in its operations or otherwise operates in a way that reflects a commitment to green energy principles.</u></p> <p><u>(4) The business will create jobs that pay a livable wage and significant benefits to Vermont employees</u></p> <p><u>(d) The Authority shall include provisions in the terms of an loan made under the Program to ensure that a loan recipient shall maintain operations within the State for a minimum of five years from the date on which the recipient receives the loan funds from the Authority or shall otherwise be required to repay the outstanding funds in full.</u></p> <p style="text-align: center;">* * *</p>	<p><u>(2) The business is located in a designated downtown, village center, growth center, or other significant geographic location recognized by the State.</u></p> <p><u>(3) The business adopts energy and thermal efficiency practices in its operations or otherwise operates in a way that reflects a commitment to green energy principles.</u></p> <p><u>(4) The business will create jobs that pay a livable wage and significant benefits to Vermont employees.</u></p> <p><u>(d) The Authority shall include provisions in the terms of an entrepreneurial loan made under the Program to ensure that an entrepreneurial loan recipient shall maintain operations within the State for a minimum of five years from the date on which the recipient receives the entrepreneurial loan funds from the Authority.</u></p> <p style="text-align: center;">* * *</p>
<p style="text-align: center;">Vermont Entrepreneurial Lending Program - Capitalization</p>	<p>Sec. 3. VERMONT ENTREPRENEURIAL LENDING PROGRAM; LOAN LOSS RESERVE FUNDS; CAPITALIZATION; PRIVATE CAPITAL; APPROPRIATION</p> <p><u>(a) The Vermont Economic Development Authority shall capitalize loan loss reserves for the Vermont Entrepreneurial Lending Program created in 10 V.S.A. § 280bb with the following funding from the following sources:</u></p> <p><u>(1) up to \$1,000,000.00 to the Program from Authority funds or eligible federal funds currently administered by the Authority; and</u></p> <p><u>(2) the amount of \$1,000,000.00 appropriated in fiscal year 2015 from the General Fund to the Authority for the purposes of this section.</u></p> <p><u>(b) The Authority shall use the funds in subsection (a) of this section solely for the purpose of establishing and maintaining loan loss reserves to guarantee loans made pursuant to 10 V.S.A. § 280bb.</u></p>	<p>Sec. 3. VERMONT ENTREPRENEURIAL LENDING PROGRAM; LOAN LOSS RESERVE FUNDS; CAPITALIZATION; PRIVATE CAPITAL; APPROPRIATION</p> <p><u>(a) The Vermont Economic Development Authority shall capitalize loan loss reserves for the Vermont Entrepreneurial Lending Program created in 10 V.S.A. § 280bb with up to \$1,000,000.00 from Authority funds or eligible federal funds currently administered by the Authority.</u></p> <p><u>(b) The Vermont Economic Development Authority shall use the funds allocated to the Program, as referenced in subsection (a) of this section, solely for the purpose of establishing and maintaining loan loss reserves to guarantee entrepreneurial loans.</u></p>
<p style="text-align: center;">Vermont Agricultural Credit</p>	<p>Sec. 4. 10 V.S.A. chapter 16A is amended to read: CHAPTER 16A. VERMONT AGRICULTURAL CREDIT PROGRAM</p>	

**Program; addition
of forestry and
forest products**

§ 374a. CREATION OF THE VERMONT AGRICULTURAL CREDIT PROGRAM

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

§ 374b. DEFINITIONS

As used in this chapter:

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

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

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

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

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

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

(7) “Farmer” means an individual directly engaged in the management or operation of an agricultural facility or farm operation for

	<p>whom the agricultural facility or farm operation constitutes two or more of the following:</p> <p>(A) is or is expected to become a significant source of the farmer's income;</p> <p>(B) the majority of the farmer's assets; and</p> <p>(C) an occupation <u>in which</u> the farmer is actively engaged in, either on a seasonal or year-round basis.</p> <p>(8) "Farm operation" shall mean the cultivation of land or other uses of land for the production of food, fiber, horticultural, <u>silvicultural</u>, orchard, maple syrup, Christmas trees, <u>forest products</u>, or forest crops; the raising, boarding, and training of equines, and the raising of livestock; or any combination of the foregoing activities. Farm operation also includes the storage, preparation, retail sale, and transportation of agricultural <u>or forest commodities</u> accessory to the cultivation or use of such land.</p> <p style="text-align: center;">* * *</p>	
<p>Connecting Capital Providers and Entrepreneurs</p>	<p>Sec. 5. NETWORKING INITIATIVES; APPROPRIATION</p> <p><u>(a) The Agency of Commerce and Community Development shall support networking events offered by one or more regional economic development providers designed to connect capital providers with one another or with Vermont entrepreneurs, or both, and shall take steps to facilitate outreach and matchmaking opportunities between investors and entrepreneurs.</u></p> <p><u>(b) The Agency shall submit to the House Committee on Commerce and Economic Development and to the Senate Committee on Economic Development, Housing and General Affairs:</u></p> <p><u>(1) a status report on or before January 15, 2015 concerning the structure of networking initiatives, the relevant provisions of governing performance contracts, and the benchmarks and measures of performance; and</u></p> <p><u>(2) a report on or before December 15, 2015 concerning the outcomes of and further recommendations for the program.</u></p>	

<p>Downtown Tax Credits</p>	<p>Sec. 6. 32 V.S.A. chapter 151, subchapter 11J is amended to read: Subchapter 11J. Vermont Downtown and Village Center Tax Credit Program</p> <p>§ 5930aa. DEFINITIONS As used in this subchapter:</p> <p style="text-align: center;">* * *</p> <p>(3) “Qualified code <u>or technology</u> improvement project” means a project:</p> <p>(A)(i) To <u>to</u> install or improve platform lifts suitable for transporting personal mobility devices, elevators, sprinkler systems, and capital improvements in a qualified building, and the installations or improvements are required to bring the building into compliance with the statutory requirements and rules regarding fire prevention, life safety, and electrical, plumbing, <u>heating, ventilating, or cooling systems</u> and accessibility codes as determined by the department of public safety. <u>Department of Public Safety; or</u></p> <p style="padding-left: 40px;">(ii) <u>to install or improve data or network wiring, or heating, ventilating, or cooling systems in a qualified building, provided that a professional engineer licensed under 26 V.S.A. chapter 20 certifies as to the fact and cost of the installation or improvement;</u></p> <p>(B) To <u>to</u> abate lead paint conditions or other substances hazardous to human health or safety in a qualified building; <u>or</u></p> <p>(C) To <u>to</u> redevelop a contaminated property in a designated downtown or village center under a plan approved by the Secretary of Natural Resources pursuant to 10 V.S.A. § 6615a.</p> <p>(4) “Qualified expenditures” means construction-related expenses of the taxpayer directly related to the project for which the tax credit is sought but excluding any expenses related to a private residence.</p> <p>(5) “Qualified façade improvement project” means the rehabilitation of the façade of a qualified building that contributes to the integrity of the designated downtown or designated village center. Façade improvements to qualified buildings listed, or eligible for listing, in the State or National Register of Historic Places must be consistent with Secretary of the Interior</p>	
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Standards, as determined by the Vermont Division for Historic Preservation.

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

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

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

§ 5930bb. ELIGIBILITY AND ADMINISTRATION

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

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

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

(d) Notwithstanding any other provision of this subchapter, qualified applicants may apply to the State Board at any time prior to June 30, 2013 to obtain a tax credit not otherwise available under subsections 5930cc(a)-(c) of this title of 10 percent of qualified expenditures resulting from damage caused by a federally declared disaster in Vermont in 2011. The credit shall only be claimed against the taxpayer’s State individual income tax under section 5822 of this title. To the extent that any allocated tax credit exceeds the taxpayer’s tax liability for the first tax year in which the qualified project is completed, the taxpayer shall receive a refund equal to the unused portion of the tax credit. If within two years after the date of the credit allocation no claim for a tax credit or refund has been filed, the tax credit allocation shall be rescinded and recaptured pursuant to subdivision 5930ee(6) of this title. The total amount of tax credits

available under this subsection shall not be more than \$500,000.00 and shall not be subject to the limitations contained in subdivision 5930ee(2) of this subchapter.

§ 5930cc. DOWNTOWN AND VILLAGE CENTER PROGRAM TAX CREDITS

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

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

(c) Code improvement tax credit. The qualified applicant of a qualified code ~~or technology~~ improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of \$12,000.00 for installation or improvement of a platform lift, a maximum tax credit of \$50,000.00 for installation or improvement of an elevator, a maximum tax credit of \$50,000.00 for installation or improvement of a sprinkler system, a maximum tax credit of \$30,000.00 for the combined costs of installation or improvement of data or network wiring or a heating, ventilating, or cooling system, and a maximum tax credit of \$25,000.00 for the combined costs of all other qualified code improvements.

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**Electricity Rates
for Businesses**

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

§ 218e. BUSINESS ELECTRICITY RATES; POLICY;
INVESTIGATION

(a) Policy and intent. It is the policy of the State of Vermont to consider and prioritize retention and recruitment of manufacturing and other high-value businesses in the determination of orders, rules, and other decisions affecting the cost and reliability of electricity and other fuels.

The intent of this policy is:

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

(2) to seek appropriate balance between this policy and other policy goals and criteria established in this title.

(b) The Commissioner of Public Service and the Secretary of Commerce and Community Development, in consultation with the Public Service Board, Associated Industries of Vermont, a cooperative electric company, a shareholder-owned utility, VPPSA, and VELCO, shall conduct an investigation of how best to advance the public good through consideration of the competitiveness of Vermont's industrial or manufacturing businesses with regard to electricity costs. As used in this section, "industrial or manufacturing business" means a business engaged in one or more of the activities classified under North American Industry Classification System (NAICS) Sector 31-33.

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

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

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

Sec. 5. COMMISSIONER OF PUBLIC SERVICE STUDY; BUSINESS
ELECTRICITY RATES

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

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

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

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

	<p><u>(3) the history and outcome of any evaluations of the Energy Savings Account or Customer Credit programs, as well as best practices for customer self-directed energy efficiency programs;</u></p> <p><u>(4) the history and outcome of any evaluations of retail choice programs or policies, as relate to business competitiveness, that have been undertaken in Vermont and in other jurisdictions;</u></p> <p><u>(5) any other programs or policies the Board deems relevant; and</u></p> <p><u>(6) whether and to what extent any programs or policies considered by the Board under this section would impose cost shifts onto other customers, result in stranded costs (costs that cannot be recovered by a regulated utility due to a change in regulatory structure or policy), or conflict with renewable energy requirements in Vermont and, if so, whether such programs or policies would nonetheless promote the public good.</u></p> <p><u>(d) In conducting the investigation required by this section, the Commissioner and Secretary shall provide the following persons and entities an opportunity for written and oral comments:</u></p> <p><u>(1) consumer and business advocacy groups;</u></p> <p><u>(2) regional development corporations; and</u></p> <p><u>(3) any other person or entity as determined by the Commissioner and Secretary.</u></p> <p><u>(e) On or before December 15, 2014, the Commissioner and Secretary shall provide a status report to the General Assembly of its findings and recommendations regarding regulatory or statutory changes that would reduce energy costs for Vermont businesses and promote the public good. On or before December 15, 2015, the Commissioner and Secretary shall provide a final report to the General Assembly of such findings and recommendations.</u></p>	<p><u>(3) the history and outcome of any evaluations of the Energy Savings Account or Customer Credit programs, as well as best practices for customer self-directed energy efficiency programs;</u></p> <p><u>(4) the history and outcome of any evaluations of retail choice programs or policies, as they relate to business competitiveness, that have been undertaken in Vermont and in other jurisdictions;</u></p> <p><u>(5) any other programs or policies the Commissioner deems relevant; and</u></p> <p><u>(6) whether and to what extent any programs or policies considered by the Commissioner under this section would impose cost shifts onto other customers, result in stranded costs (costs that cannot be recovered by a regulated utility due to a change in regulatory structure or policy), or conflict with renewable energy requirements in Vermont.</u></p> <p><u>(c) In conducting the study required by this section, the Commissioner shall provide the following persons and entities an opportunity for written and oral comments:</u></p> <p><u>(1) consumer and business advocacy groups;</u></p> <p><u>(2) regional development corporations; and</u></p> <p><u>(3) any other person or entity as determined by the Commissioner.</u></p> <p><u>(d) On or before December 15, 2014, the Commissioner shall provide a status report to the General Assembly of his or her findings regarding regulatory or statutory changes that would reduce electric energy costs for Vermont businesses and promote the public good. On or before December 15, 2015, the Commissioner shall provide a final report to the General Assembly of such findings and recommendations.</u></p>
<p>Domestic Export Program</p>	<p>Sec. 8. DOMESTIC MARKET ACCESS PROGRAM FOR VERMONT AGRICULTURE AND FOREST PRODUCTS</p> <p><u>(a) The Secretary of Agriculture, Food and Markets, in collaboration with the Agency of Commerce and Community Development and the</u></p>	<p>Sec. 6. DOMESTIC MARKET ACCESS PROGRAM FOR VERMONT AGRICULTURE AND FOREST PRODUCTS</p> <p><u>The Secretary of Agriculture, Food and Markets, in collaboration with the Agency of</u></p>

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

- (2) if the damage or loss does not exceed \$500.00 for a second or subsequent offense, imprisoned not more than two years or fined not more than ~~\$1,000.00~~ \$10,000.00, or both; or
- (3) if the damage or loss exceeds \$500.00, imprisoned not more than 10 years or fined not more than ~~\$10,000.00~~ \$25,000.00, or both.

§ 4105. THEFT OR DESTRUCTION

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

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

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

- (1) if the damage or loss does not exceed \$500.00 for a first offense, imprisoned not more than one year or fined not more than ~~\$500.00~~ \$5,000.00, or both;
- (2) if the damage or loss does not exceed \$500.00 for a second or subsequent offense, imprisoned not more than two years or fined not more than ~~\$1,000.00~~ \$10,000.00, or both; or
- (3) if the damage or loss exceeds \$500.00, imprisoned not more than 10 years or fined not more than ~~\$10,000.00~~ \$25,000.00, or both.

§ 4106. CIVIL LIABILITY

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

* * *

\$10,000.00, or both; or

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

§ 4105. THEFT OR DESTRUCTION

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

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

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

- (1) if the damage or loss does not exceed \$500.00 for a first offense, imprisoned not more than one year or fined not more than \$500.00 \$5,000.00, or both;
- (2) if the damage or loss does not exceed \$500.00 for a second or subsequent offense, imprisoned not more than two years or fined not more than \$1,000.00 \$10,000.00, or both; or
- (3) if the damage or loss exceeds \$500.00, imprisoned not more than 10 years or fined not more than \$10,000.00 \$100,000.00, or both.

§ 4106. CIVIL LIABILITY

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

* * *

<p style="text-align: center;">Statute of Limitations for Misappropriation of Trade Secrets</p>	<p>Sec. 10. 12 V.S.A. § 523 is amended to read: § 523. TRADE SECRETS An action for misappropriation of trade secrets under <u>9 V.S.A.</u> chapter 143 of Title 9 shall be commenced within three years after the cause of action accrues, and not after. The cause of action shall be deemed to accrue as of the date the misappropriation was discovered or reasonably should have been discovered.</p>	<p>Sec. 9. 12 V.S.A. § 523 is amended to read: § 523. TRADE SECRETS An action for misappropriation of trade secrets under <u>9 V.S.A.</u> chapter 143 of Title 9 shall be commenced within three five years after the cause of action accrues, and not after. The cause of action shall be deemed to accrue as of the date the misappropriation was discovered or reasonably should have been discovered.</p>
<p style="text-align: center;">Protection of Trade Secrets</p>	<p>Sec. 11. 9 V.S.A. chapter 143 is amended to read: CHAPTER 143. TRADE SECRETS § 4601. DEFINITIONS As used in this chapter: (1) “Improper means” includes theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy, or espionage through electronic or other means. (2) “Misappropriation” means: (A) acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means; or (B) disclosure or use of a trade secret of another without express or implied consent by a person who: (i) used improper means to acquire knowledge of the trade secret; or (ii) at the time of disclosure or use, knew or had reason to know that his or her knowledge of the trade secret was: (I) derived from or through a person who had utilized improper means to acquire it; (II) acquired under circumstances giving rise to a duty to maintain its secrecy or limit its use; or (III) derived from or through a person who owed a duty to the person seeking relief to maintain its secrecy or limit its use; or (iii) before a material change of his or her position, knew or had reason to know that it was a trade secret and that knowledge of it had</p>	<p>Sec. 10. 9 V.S.A. chapter 143 is amended to read: CHAPTER 143. TRADE SECRETS § 4601. DEFINITIONS As used in this chapter: (1) “Improper means” includes theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy, or espionage through electronic or other means. (2) “Misappropriation” means: (A) acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means; or (B) disclosure or use of a trade secret of another without express or implied consent by a person who: (i) used improper means to acquire knowledge of the trade secret; or (ii) at the time of disclosure or use, knew or had reason to know that his or her knowledge of the trade secret was: (I) derived from or through a person who had utilized improper means to acquire it; (II) acquired under circumstances giving rise to a duty to maintain its secrecy or limit its use; or (III) derived from or through a person who owed a duty to the person seeking relief to maintain its secrecy or limit its use; or (iii) before a material change of his or her position, knew or had reason to know that it was a trade secret and that knowledge of it had been acquired by accident or mistake.</p>

<p>been acquired by accident or mistake.</p> <p>(3) “Trade secret” means information, including a formula, pattern, compilation, program, device, method, technique, or process, that:</p> <p>(A) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and</p> <p>(B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.</p> <p>§ 4602. INJUNCTIVE RELIEF</p> <p>(a) Actual <u>A court may enjoin actual</u> or threatened misappropriation may be enjoined of a trade secret. Upon application to the court, an injunction shall be terminated when the trade secret has ceased to exist, but the injunction may be continued for an additional reasonable period of time in order to eliminate commercial advantage that otherwise would be derived from the misappropriation.</p> <p>(b) In exceptional circumstances, an injunction may condition future use upon payment of a reasonable royalty for no longer than the period of time for which use could have been prohibited. Exceptional circumstances include, but are not limited to, a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation that renders a prohibitive injunction inequitable.</p> <p>(c) In appropriate circumstances, affirmative acts to protect a trade secret may be compelled by court order.</p> <p>§ 4603. DAMAGES</p> <p>(a)<u>(1)</u> Except to the extent that a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation renders a monetary recovery inequitable, a complainant is entitled to recover damages for misappropriation.</p> <p><u>(2)</u> Damages can include both the actual loss caused by misappropriation and the unjust enrichment caused by misappropriation</p>	<p>(3) “Trade secret” means information, including a formula, pattern, compilation, program, device, method, technique, or process, that:</p> <p>(A) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and</p> <p>(B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.</p> <p>§ 4602. INJUNCTIVE RELIEF</p> <p>(a) Actual <u>A court may enjoin actual</u> or threatened misappropriation may be enjoined of a trade secret. Upon application to the court, an injunction shall be terminated when the trade secret has ceased to exist, but the injunction may be continued for an additional reasonable period of time in order to eliminate commercial advantage that otherwise would be derived from the misappropriation.</p> <p>(b) In exceptional circumstances, an injunction may condition future use upon payment of a reasonable royalty for no longer than the period of time for which use could have been prohibited. Exceptional circumstances include, but are not limited to, a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation that renders a prohibitive injunction inequitable.</p> <p>(c) In appropriate circumstances, affirmative acts to protect a trade secret may be compelled by court order.</p> <p>§ 4603. DAMAGES</p>
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that is not taken into account in computing actual loss.

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

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

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

§ 4605. PRESERVATION OF SECRECY

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

§ 4607. EFFECT ON OTHER LAW

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

(b) This chapter does not affect:

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

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

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

* * *

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

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

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

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

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

§ 4605. PRESERVATION OF SECRECY

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

§ 4607. EFFECT ON OTHER LAW

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

(b) This chapter does not affect:

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

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

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

		* * *
<p>State Contracting; Intellectual Property, Etc.</p>	<p>Sec. 12. 3 V.S.A. § 346 is added to read: <u>§ 346. STATE CONTRACTING; INTELLECTUAL PROPERTY, SOFTWARE DESIGN, AND INFORMATION TECHNOLOGY</u> (a) <u>The Secretary of Administration shall include in Administrative Bulletin 3.5 a policy direction applicable to State procurement contracts that include services for the development of software applications, computer coding, or other intellectual property, which would allow the State of Vermont to grant permission to the contractor to use the intellectual property created under the contract for the contractor’s commercial purposes.</u> (b) <u>The Secretary may recommend contract provisions that authorize the State to negotiate with a contractor to secure license terms and license fees, royalty rights, or other payment mechanism for the contractor’s commercial use of intellectual property developed under a State contract.</u> (c) <u>If the Secretary authorizes a contractor to own intellectual property developed under a State contract, the Secretary may recommend language to ensure the State retains a perpetual, irrevocable, royalty-free, and fully paid right to continue to use the intellectual property.</u></p>	<p>Sec. 11. 3 V.S.A. § 346 is added to read: <u>§ 346. STATE CONTRACTING; INTELLECTUAL PROPERTY, SOFTWARE DESIGN, AND INFORMATION TECHNOLOGY</u> (a) <u>The Secretary of Administration shall include in Administrative Bulletin 3.5 a policy direction applicable to State procurement contracts that include services for the development of software applications, computer coding, or other intellectual property, which would allow the State of Vermont to grant permission to the contractor to use the intellectual property created under the contract for the contractor’s commercial purposes.</u> (b) <u>The Secretary may recommend contract provisions that authorize the State to negotiate with a contractor to secure license terms and license fees, royalty rights, or other payment mechanism for the contractor’s commercial use of intellectual property developed under a State contract.</u> (c) <u>If the Secretary authorizes a contractor to own intellectual property developed under a State contract, the Secretary shall recommend language to ensure the State retains a perpetual, irrevocable, royalty-free, and fully paid right to continue to use the intellectual property.</u></p>
<p>Study: Small Business Access to Capital</p>	<p>Sec. 13. SMALL BUSINESS ACCESS TO CAPITAL (a) <u>Crowdfunding Study. The Department of Financial Regulation shall study the opportunities and limitations for crowdfunding to increase access to capital for Vermont’s small businesses. On or before January 15, 2015, the Department shall report its findings and recommendations to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.</u> (b) <u>Small business issuer education and outreach. On or before January 15, 2015, the Department of Financial Regulation shall conduct at least two educational events to inform the legal, small business, and investor communities and other interested parties, of opportunities for small</u></p>	

	<p><u>businesses to access capital in Vermont, including, the Vermont Small Business Offering Exemption regulation and other securities registration exemptions.</u></p> <p><u>(c) Vermont Small Business Offering Exemption. The Commissioner of Financial Regulation shall exercise his or her rulemaking authority under 9 V.S.A. chapter 150 to review and revise the Vermont Small Business Offering Exemption and any other state securities exemptions, specifically including those designed to complement exemptions from federal registration requirements available under Regulation D, in order to recognize and reflect the evolution of capital markets and to ensure that Vermont remains current and competitive in its securities regulations, particularly with respect to access to capital for small businesses.</u></p>	
<p>Study: Commercial Lenders</p>	<p>Sec. 14; identical to Senate provision</p>	<p>Sec. 12. STUDY; DEPARTMENT OF FINANCIAL REGULATION; LICENSED LENDER REQUIREMENTS; COMMERCIAL LENDERS</p> <p><u>On or before January 15, 2015, the Department of Financial Regulation shall evaluate and report to the House Committee on Commerce and Economic Development and to the Senate Committees on Finance and on Economic Development, Housing and General Affairs any statutory and regulatory changes to the State’s licensed lender requirements that are necessary to open private capital markets and remove unnecessary barriers to business investment in Vermont.</u></p>
<p>Fiscal Analysis: Economic Development Legislative Proposals</p>	<p>Sec. 19. 2 V.S.A. § 23 is added to read:</p> <p><u>§ 23. FISCAL ANALYSIS OF ECONOMIC DEVELOPMENT BILLS</u></p> <p><u>(a) Upon the written request of a majority of the members of a standing committee of the General Assembly to the Joint Fiscal Committee, the legislative Joint Fiscal Office shall perform an econometric analysis and prepare a fiscal note for a legislative proposal that is directly related to economic development and would substantially affect the expenditures or revenues of the State.</u></p> <p><u>(b) Each fiscal note prepared pursuant to this section shall contain an estimate of the positive and negative effects of the proposal upon the</u></p>	

expenditures or revenues of the State, and upon employment in the State, for the fiscal year in which the bill would become effective if enacted and for the next five succeeding years.

(c)(1) For a request submitted pursuant to subsection (a) of this section on or before May 15, the Joint Fiscal Office shall conduct its analysis and submit its report to the requesting committee on or before December 15 of the same year.

(2) A request submitted after May 15 may be approved or denied by majority vote of the Joint Fiscal Committee in its sole discretion. Upon approval of such request, the Joint Fiscal Committee shall determine the timeframe for an analysis and the delivery date of a report from the Joint Fiscal Office.

(d) In the even the Joint Fiscal Committee receives one or more requests pursuant to this section and the Committee determines the scope of the request or requests would impose an undue burden on the available resources of the Joint Fiscal Office, the Committee shall have the discretion to assign relative priority to the requests and establish a timeframe for an analysis and the delivery date of any reports from the Joint Fiscal Office.

Sec. 20. 2 V.S.A. § 503 is amended to read:

§ 503. FUNCTIONS

(a) ~~The joint fiscal committee~~ Joint Fiscal Committee shall direct, supervise, and coordinate the work of its staff and secretaries.

(b) ~~The joint fiscal committee~~ Joint Fiscal Committee shall:

(1) ~~Furnish~~ furnish research services and secretarial services of a fiscal nature to the ~~committees on appropriations~~ Committees on Appropriations, the ~~senate committee on finance~~ Senate Committee on Finance, the ~~house committee on ways and means~~ House Committee on Ways and Means, the ~~committees on transportation~~ Committees on Transportation, and the ~~joint fiscal committee~~ Joint Fiscal Committee;

(2) ~~Carry carry~~ carry on a continuing review of the fiscal operations of the ~~state~~ State, including ~~but not limited to~~ revenues, budgeting, and expenditures;

	<p>(3) Accept <u>accept</u> grants, gifts, loans, or any other thing of value, approved by the governor, <u>Governor</u> under the provisions of 32 V.S.A. § 5, when the general assembly <u>General Assembly</u> is not in session.;</p> <p>(4) Keep <u>keep</u> minutes of its meetings and maintain a file thereof;</p> <p><u>and</u></p> <p>(5) <u>prepare fiscal notes pursuant to section 23 of this title.</u></p>	
NEK Demographic Study	<p>Sec. 21. JFO ACCD DEMOGRAPHIC STUDY</p> <p><u>The Legislative Joint Fiscal Office, in coordination with the Agency of Commerce and Community Development, shall conduct a study of demographic profiles, trends, and projections for the northeast kingdom of Vermont and shall submit its findings to the House Committee on Commerce and Community Development and the Senate Committee on Economic Development, Housing and General Affairs on or before December 1, 2014.</u></p>	
Study: Tourism Funding	<p>Sec. 22; Senate provision</p>	<p>Sec. 13. TOURISM FUNDING; PILOT PROJECT STUDY</p> <p><u>On or before January 15, 2015, the Secretary of Commerce and Community Development shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a report that analyzes the results of the performance-based funding pilot project for the Department of Tourism and Marketing and recommends appropriate legislative or administrative changes to the funding mechanism for tourism and marketing programs.</u></p>
Industrial Parks: Access to VEDA funding	<p>Sec. 23; Senate provision</p>	<p>Sec. 14. 10 V.S.A. § 238 is added to read:</p> <p><u>§ 238. AVAILABILITY OF LOANS AND ASSISTANCE FOR INDUSTRIAL PARKS</u></p> <p><u>Notwithstanding any provision of this chapter to the contrary, the developer of a project in an industrial park permitted under chapter 151 of this title shall have access to the loans and assistance available to a local development corporation from the Vermont Economic Development Authority for the improvement of industrial parks under this subchapter.</u></p>

<p>Industrial Parks: Act 250 definition</p>	<p>Sec. 24; Senate provision</p>	<p>Sec. 16. 10 V.S.A. § 6001(35) is added to read: <u>(35) “Industrial park” means an area of land permitted under this chapter that is planned, designed, and zoned as a location for one or more industrial buildings, that includes adequate access roads, utilities, water, sewer, and other services necessary for the uses of the industrial buildings, and includes no retail use except that which is incidental to an industrial use, and no office use except that which is incidental or secondary to an industrial use.</u></p>
<p>Industrial Parks: NRB review of master plan policy</p>	<p>Sec. 25; Senate provision</p>	<p>Sec. 17. REVIEW OF MASTER PLAN POLICY <u>On or before January 1, 2015, the Natural Resources Board shall review its master plan policy and commence the policy’s adoption as a rule. The proposed rule shall include provisions for efficient master plan permitting and master plan permit amendments for industrial parks. The Board shall consult with affected parties when developing the proposed rule.</u></p>
<p>Industrial Parks: Primary agricultural soils</p>	<p>Sec. 26; Senate provision</p>	<p style="text-align: center;">* * * Primary Agricultural Soils; Industrial Parks * * *</p> <p>Sec. 18. 10 V.S.A. § 6093(a)(4) is amended to read: (4) Industrial parks. (A) Notwithstanding any provision of this chapter to the contrary, a conversion of primary agricultural soils located in an industrial park as defined in subdivision 212(7) of this title and permitted under this chapter and in existence as of January 1, 2006, shall be allowed to pay a mitigation fee computed according to the provisions of subdivision (1) of this subsection, except that it shall be entitled to a ratio of 1:1, protected acres to acres of affected primary agricultural soil. If an industrial park is developed to the fullest extent before any expansion, this ratio shall apply to any contiguous expansion of such an industrial park that totals no more than 25 percent of the area of the park or no more than 10 acres, whichever is larger; provided any expansion based on percentage does not exceed 50 acres. Any expansion larger than that described in this subdivision shall be subject to the mitigation provisions of this subsection at ratios that depend upon the location of the expansion. (B) In any application to a district commission for expansion of District Commission to amend a permit for an existing industrial park, compact development</p>

		<p>patterns shall be encouraged that assure the most efficient and full use of land and the realization of maximum economic development potential through appropriate densities shall be allowed consistent with all applicable criteria of subsection 6086(a) of this title. Industrial park expansions and industrial park infill shall not be subject to requirements established in subdivision 6086(a)(9)(B)(iii) of this title, nor to requirements established in subdivision 6086(a)(9)(C)(iii).</p>
<p>Affordable Housing</p>	<p>Sec. 27; Senate provision</p>	<p style="text-align: center;">* * * Affordable Housing * * *</p> <p>Sec. 19. 10 V.S.A. § 6001 is amended to read: § 6001. DEFINITIONS In this chapter:</p> <p style="text-align: center;">* * *</p> <p>(3)(A) “Development” means each of the following: * * *</p> <p>(iv) The construction of housing projects such as cooperatives, condominiums, or dwellings, or construction or maintenance of mobile homes or trailer <u>mobile home parks</u>, with 10 or more units, constructed or maintained on a tract or tracts of land, owned or controlled by a person, within a radius of five miles of any point on any involved land, and within any continuous period of five years. <u>However:</u></p> <p style="padding-left: 40px;"><u>(I) A priority housing project shall constitute a development under this subdivision (iv) only if the number of housing units in the project is:</u></p> <p style="padding-left: 80px;"><u>(aa) 275 or more, in a municipality with a population of 15,000 or more;</u></p> <p style="padding-left: 80px;"><u>(bb) 150 or more, in a municipality with a population of 10,000 or more but less than 15,000;</u></p> <p style="padding-left: 80px;"><u>(cc) 75 or more, in a municipality with a population of 6,000 or more but less than 10,000.</u></p> <p style="padding-left: 80px;"><u>(dd) 50 or more, in a municipality with a population of 3,000 or more but less than 6,000;</u></p> <p style="padding-left: 80px;"><u>(ee) 25 or more, in a municipality with a population of less than 3,000; and</u></p> <p style="padding-left: 80px;"><u>(ff) notwithstanding subdivisions (aa) through (ee) of this subdivision (iv)(I), 10 or more if the construction involves the demolition of one or more buildings</u></p>

that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have no adverse effect; no adverse effect provided that specified conditions are met; or will have an adverse effect but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document.

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

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

* * *

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

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

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

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

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

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

		<p>(VI) Historic Buildings. Construction of 10 or more units of mixed income housing or a mixed use project with 10 or more housing units where if the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have: no adverse effect; no adverse effect provided that specified conditions are met; or, will have an adverse effect, but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document.</p> <p>(ii) Mixed Income Housing Jurisdictional Thresholds. Notwithstanding the provisions of subdivision (3)(A) of this section, if a project consists exclusively of mixed income housing and is located entirely within a Vermont neighborhood designated pursuant to 24 V.S.A. § 2793d or a neighborhood development area as defined in 24 V.S.A. § 2791(16), “development” means:</p> <p>(I) Construction of mixed income housing with 200 or more housing units, in a municipality with a population of 15,000 or more.</p> <p>(II) Construction of mixed income housing with 100 or more housing units, in a municipality with a population of 10,000 or more but less than 15,000.</p> <p>(III) Construction of mixed income housing with 50 or more housing units, in a municipality with a population of 6,000 or more and less than 10,000.</p> <p>(IV) Construction of mixed income housing with 30 or more housing units, in a municipality with a population of 3,000 or more but less than 6,000.</p> <p>(V) Construction of mixed income housing with 25 or more housing units, in a municipality with a population of less than 3,000.</p> <p>(VI) Historic Buildings. Construction of 10 or more units of mixed income housing where the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have: no adverse effect; no adverse effect provided that specified conditions are met; or will have an adverse effect, but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant</p>
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condition, deed covenant, or other legally binding document. [Repealed.]

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

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

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

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

* * *

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

		<p>(A) Owner-occupied housing. At the option of the applicant, owner-occupied housing may be characterized by either of the following:</p> <p>(i) at least 15 percent of the housing units have a purchase price which at the time of first sale does not exceed 85 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency; or</p> <p>(ii) at least 20 percent of the housing units have a purchase price which at the time of first sale does not exceed 90 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency;</p> <p>(B) Affordable Rental Housing. At least 20 percent of <u>the housing units</u> that <u>is are</u> rented by the occupants whose gross annual household income does not exceed 60 percent of the county median income, or 60 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the United States Department of Housing and Urban Development for use with the Housing Credit Program under Section 42(g) of the Internal Revenue Code, and the total annual cost of the housing, as defined at Section 42(g)(2)(B), is not more than 30 percent of the gross annual household income as defined at Section 42(g)(2)(C), and with <u>constitute affordable housing and have</u> a duration of affordability of no less than 30 <u>20</u> years.</p> <p>(28) “Mixed use” means construction of both mixed income housing and construction of space for any combination of retail, office, services, artisan, and recreational and community facilities, provided at least 40 percent of the gross floor area of the buildings involved is mixed income housing. “Mixed use” does not include industrial use.</p> <p>(29) “Affordable housing” means either of the following:</p> <p>(A) Housing that is owned by its occupants whose gross annual household income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the United States Department of Housing and Urban Development, and the total annual cost of the housing, including principal, interest, taxes, insurance, and condominium association fees, is not more than 30 percent of the gross annual household income.</p> <p>(B) Housing that is rented by the occupants whose gross annual household</p>
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		<p>income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the United States Department of Housing and Urban Development, and the total annual cost of the housing, including rent, utilities, and condominium association fees, is not more than 30 percent of the gross annual household income.</p> <p style="text-align: center;">* * *</p> <p><u>(36) “Priority housing project” means a discrete project located on a single tract or multiple contiguous tracts of land that consists exclusively of:</u></p> <p style="padding-left: 40px;"><u>(A) mixed income housing or mixed use, or any combination thereof, and is located entirely within a designated downtown development district, designated growth center, or designated village center that is also a designated neighborhood development area under 24 V.S.A. chapter 76A; or</u></p> <p style="padding-left: 40px;"><u>(B) mixed income housing and is located entirely within a designated Vermont neighborhood or designated neighborhood development area under 24 V.S.A. chapter 76A.</u></p>
<p>Credit Facility for Clean Energy Loan Fund</p>	<p>Sec. 16; identical to Senate provision</p>	<p style="text-align: center;">* * * Credit Facility for Vermont Clean Energy Loan Fund * * *</p> <p>Sec. 20. 2013 Acts and Resolves No. 87, Sec. 8 is amended to read:</p> <p style="padding-left: 40px;">Sec. 8. INVESTMENT OF STATE MONIES</p> <p style="padding-left: 40px;">The Treasurer is hereby authorized to establish a short-term credit facility for the benefit of the Vermont Economic Development Authority in an amount of up to \$10,000,000.00.</p>
<p>Licensed Lenders and MLO Licenses: Exemptions for De Minimis Lending Activity</p>	<p>Sec. 15; Senate provision.</p>	<p style="text-align: center;">* * * Licensed Lender Requirements; Exemption for De Minimis Lending Activity * *</p> <p style="text-align: center;">*</p> <p>Sec. 21. 8 V.S.A. § 2201 is amended to read:</p> <p>2201. LICENSES REQUIRED</p> <p style="padding-left: 40px;">(a) No person shall without first obtaining a license under this chapter from the commissioner <u>Commissioner</u>:</p> <p style="padding-left: 80px;">(1) engage in the business of making loans of money, credit, goods, or things in action and charge, contract for, or receive on any such loan interest, a finance charge, discount, or consideration therefore <u>therefor</u>;</p> <p style="padding-left: 80px;">(2) act as a mortgage broker;</p>

		<p>(3) engage in the business of a mortgage loan originator; or</p> <p>(4) act as a sales finance company.</p> <p>(b) Each licensed mortgage loan originator must register with and maintain a valid unique identifier with the Nationwide Mortgage Licensing System and Registry and must be either:</p> <p>(1) an employee actively employed at a licensed location of, and supervised and sponsored by, only one licensed lender or licensed mortgage broker operating in this state <u>State</u>;</p> <p>(2) an individual sole proprietor who is also a licensed lender or licensed mortgage broker; or</p> <p>(3) an employee engaged in loan modifications employed at a licensed location of, and supervised and sponsored by, only one third-party loan servicer licensed to operate in this state <u>State</u> pursuant to chapter 85 of this title. For purposes of <u>As used in</u> this subsection, “loan modification” means an adjustment or compromise of an existing residential mortgage loan. The term “loan modification” does not include a refinancing transaction.</p> <p>(c) A person licensed pursuant to subdivision (a)(1) of this section may engage in mortgage brokerage and sales finance if such person informs the commissioner <u>Commissioner</u> in advance that he or she intends to engage in sales finance and mortgage brokerage. Such person shall inform the commissioner <u>Commissioner</u> of his or her intention on the original license application under section 2202 of this title, any renewal application under section 2209 of this title, or pursuant to section 2208 of this title, and shall pay the applicable fees required by subsection 2202(b) of this title for a mortgage broker license or sales finance company license.</p> <p>(d) No lender license, mortgage broker license, or sales finance company license shall be required of:</p> <p>(1) a state <u>State</u> agency, political subdivision, or other public instrumentality of the state <u>State</u>;</p> <p>(2) a federal agency or other public instrumentality of the United States;</p> <p>(3) a gas or electric utility subject to the jurisdiction of the public service board <u>Public Service Board</u> engaging in energy conservation or safety loans;</p> <p>(4) a depository institution or a financial institution as defined in 8 V.S.A. § 11101(32);</p>
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		<p>(5) a pawnbroker;</p> <p>(6) an insurance company;</p> <p>(7) a seller of goods or services that finances the sale of such goods or services, other than a residential mortgage loan;</p> <p>(8) any individual who offers or negotiates the terms of a residential mortgage loan secured by a dwelling that served as the individual's residence, including a vacation home, or inherited property that served as the deceased's dwelling, provided that the individual does not act as a mortgage loan originator or provide financing for such sales so frequently and under such circumstances that it constitutes a habitual activity and acting in a commercial context;</p> <p>(9) lenders that conduct their lending activities, other than residential mortgage loan activities, through revolving loan funds, that are nonprofit organizations exempt from taxation under Section 501(c) of the Internal Revenue Code, 26 U.S.C. § 501(c), and that register with the commissioner of economic development <u>Commissioner of Economic Development</u> under 10 V.S.A. § 690a;</p> <p>(10) persons who lend, other than residential mortgage loans, an aggregate of less than \$75,000.00 in any one year at rates of interest of no more than 12 percent per annum;</p> <p>(11) a seller who, pursuant to 9 V.S.A. § 2355(f)(1)(D), includes the amount paid or to be paid by the seller to discharge a security interest, lien interest, or lease interest on the traded-in motor vehicle in a motor vehicle retail installment sales contract, provided that the contract is purchased, assigned, or otherwise acquired by a sales finance company licensed pursuant to this title to purchase motor vehicle retail installment sales contracts or a depository institution;</p> <p>(12)(A) a person making an unsecured commercial loan, which loan is expressly subordinate to the prior payment of all senior indebtedness of the commercial borrower regardless of whether such senior indebtedness exists at the time of the loan or arises thereafter. The loan may or may not include the right to convert all or a portion of the amount due on the loan to an equity interest in the commercial borrower;</p> <p>(B) for purposes of <u>as used in</u> this subdivision (12), "senior indebtedness" means:</p> <p>(i) all indebtedness of the commercial borrower for money borrowed from depository institutions, trust companies, insurance companies, and licensed lenders, and</p>
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		<p>any guarantee thereof; and</p> <p>(ii) any other indebtedness of the commercial borrower that the lender and the commercial borrower agree shall constitute senior indebtedness;</p> <p>(13) nonprofit organizations established under testamentary instruments, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), and which make loans for postsecondary educational costs to students and their parents, provided that the organizations provide annual accountings to the Probate Division of the Superior Court;</p> <p>(14) any individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member of the individual;</p> <p>(15) a housing finance agency;</p> <p><u>(16) a person who makes no more than three mortgage loans in any consecutive three-year period beginning on or after July 1, 2011.</u></p> <p>(e) No mortgage loan originator license shall be required of:</p> <p>(1) Registered mortgage loan originators, when employed by and acting for an entity described in subdivision 2200(22) of this chapter.</p> <p>(2) Any individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member of the individual.</p> <p>(3) Any individual who offers or negotiates terms of a residential mortgage loan secured by a dwelling that served as the individual's residence, including a vacation home, or inherited property that served as the deceased's dwelling, provided that the individual does not act as a mortgage loan originator or provide financing for such sales so frequently and under such circumstances that it constitutes a habitual activity and acting in a commercial context.</p> <p>(4) An individual who is an employee of a federal, state <u>State</u>, or local government agency, or an employee of a housing finance agency, who acts as a mortgage loan originator only pursuant to his or her official duties as an employee of the federal, state <u>State</u>, or local government agency or housing finance agency.</p> <p>(5) A licensed attorney who negotiates the terms of a residential mortgage loan on behalf of a client as an ancillary matter to the attorney's representation of the client, unless the attorney is compensated by a lender, a mortgage broker, or other mortgage loan originator or by any agent of such lender, mortgage broker, or other mortgage loan originator. To the extent an attorney licensed in this State undertakes activities that are</p>
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		<p>covered by the definition of a mortgage loan originator, such activities do not constitute engaging in the business of a mortgage loan originator, provided that:</p> <p>(A) such activities are considered by the State governing body responsible for regulating the practice of law to be part of the authorized practice of law within this State;</p> <p>(B) such activities are carried out within an attorney-client relationship; and</p> <p>(C) the attorney carries them out in compliance with all applicable laws, rules, ethics, and standards.</p> <p><u>(6) A person who makes no more than three mortgage loans in any consecutive three-year period beginning on or after July 1, 2011</u></p> <p>(f) <u>If a person who offers or negotiates the terms of a mortgage loan is exempt from licensure pursuant to subdivision (d)(16) or (e)(6) of this section, there is a rebuttable presumption that he or she is not engaged in the business of making loans or being a mortgage loan originator.</u></p> <p>(g) Independent contractor loan processors or underwriters. A loan processor or underwriter who is an independent contractor may not engage in the activities of a loan processor or underwriter unless such independent contractor loan processor or underwriter obtains and maintains a mortgage loan originator license. Each independent contractor loan processor or underwriter licensed as a mortgage loan originator must have and maintain a valid unique identifier issued by the Nationwide Mortgage Licensing System and Registry.</p> <p>(g)(h) This chapter shall not apply to commercial loans of \$1,000,000.00 or more.</p>
<p>Workforce Education and Training: Workforce Leader; coordination of programs; public engagement process; collection of data</p>	<p>Secs. 28-31; incorporates H.852, As Passed the House</p>	<p>Sec. 22. 10 V.S.A. § 545 is added to read:</p> <p>§ 545. WORKFORCE EDUCATION AND TRAINING LEADER</p> <p>(a) <u>The Commissioner of Labor shall have the authority to designate one existing full-time position within the Department as “Workforce Education and Training Leader.”</u></p> <p>(b) <u>The Workforce Leader shall have primary authority within State government to conduct an inventory of the workforce education and training activities throughout the State both within State government agencies and departments that perform those activities and with State partners who perform those activities with State funding, and to coordinate those activities to ensure an integrated workforce education and training</u></p>

		<p>system throughout the State.</p> <p><u>(c) In conducting the inventory pursuant to subsection (b) of this section, the Workforce Leader shall design and implement a stakeholder engagement process that brings together employers with potential employees, including students, the unemployed, and incumbent employees seeking further training.</u></p> <p><u>(d) Notwithstanding any provision of State law to the contrary, and to the fullest extent allowed under federal law, the Leader shall ensure that in each State and State-funded workforce education and training program, the program administrator collects and reports individual data and outcomes at the individual level by Social Security Number or equivalent.</u></p>
<p>Study: Internship opportunities for 15-18 year olds</p>	<p>Sec. 32; Senate provision</p>	<p>Sec. 23. INTERNSHIP OPPORTUNITIES FOR YOUNG PERSONS</p> <p><u>On or before January 15, 2015, the Commissioner of Labor shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a report that details the internship opportunities available to Vermonters between 15 and 18 years of age and recommends one or more means to expand these opportunities through the Vermont Career Internship Program, 10 V.S.A. § 544, or through other appropriate mechanisms.</u></p>
<p>Vermont Strong Scholars Program</p>	<p>Secs. 33-35; Senate provisions</p>	<p style="text-align: center;">* * * Vermont Strong Scholars Program * * *</p> <p>Sec. 24. 16 V.S.A. chapter 90 is redesignated to read: CHAPTER 90. FUNDING OF POSTSECONDARY INSTITUTIONS <u>EDUCATION</u></p> <p>Sec. 25. 16 V.S.A. § 2888 is added to read: <u>§ 2888. VERMONT STRONG SCHOLARS PROGRAM</u></p> <p><u>(a) Program creation. There is created a postsecondary loan forgiveness program to be known as the Vermont Strong Scholars Program designed to forgive a portion of Vermont Student Assistance Corporation (the Corporation) loans in order to encourage Vermonters to select majors that prepare them for jobs that are critical to the Vermont economy, to enroll and remain enrolled in a Vermont postsecondary institution, and to live in Vermont upon graduation.</u></p> <p><u>(b) Academic majors; projections.</u></p>

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

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

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

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

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

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

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

(2) is a graduate of an eligible institution;

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

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

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

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

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

(d) Loan forgiveness.

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

(A) for an individual awarded an associate's degree by an eligible institution,

in an amount equal to the tuition rate for 15 credits at the Community College of Vermont during the individual's final semester of enrollment, to be prorated over the three years following graduation; and

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

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

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

(f) Fund creation.

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

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

Sec. 28. VERMONT STRONG INTERIM REPORT

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

Sec. 29. EFFECTIVE DATES

		<p><u>This act shall take effect on July 1, 2014, except that 16 V.S.A. § 2888(d) in Sec. 25 shall take effect on July 1, 2015.</u></p>
<p>Study: Vermont Products Program</p>	<p>Sec. 36; Senate provision</p>	<p>Sec. 25a. VERMONT PRODUCTS PROGRAM; STUDY; REPORT</p> <p>(a) <u>On or before September 1, 2015, the Agency of Commerce and Community Development, after consulting with appropriate stakeholders, shall report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development on creating a Vermont Products Program for the purpose of providing Vermont businesses with a means of promoting and marketing products and services that are manufactured, designed, engineered, or formulated in Vermont and avoiding confusion by consumers when the Vermont brand is used in marketing products or services.</u></p> <p>(b) <u>The report required by this section shall describe the method, feasibility, and cost of creating a Vermont Products Program that includes the following elements:</u></p> <p>(1) <u>The program shall include a licensing system that enables qualifying persons to make marketing claims concerning significant business activities occurring in Vermont, and to self-certify products and services that are manufactured, designed, engineered, or formulated in Vermont. Under this system, the Secretary shall identify and craft branding and marketing guidelines that concern whether and how qualifying products or services manufactured, designed, engineered, or formulated in Vermont can be properly claimed so as to be licensed. The licensing system shall permit an applicant to self-certify compliance with designated criteria and attest to the accuracy of claims authorized by the Secretary in order to obtain a license to advertise and promote a product or service using the licensed materials.</u></p> <p>(2) <u>The program may charge an annual fee for the issuance of the license.</u></p> <p>(3) <u>The program shall include an on-line application process that permits an applicant to obtain the license if he or she certifies compliance with criteria designated by the Secretary, attests to the accuracy of statements designated by the Secretary, and pays the required fee.</u></p> <p>(4) <u>Licenses issued under the program shall include a provision requiring that disputes regarding the license be resolved by alternative dispute resolution. A person who objects to the issuance of a license may file a complaint with the Secretary, who shall refer it for alternative dispute resolution as provided in the license.</u></p>

		<p><u>(5) A special fund, comprising license fees and any monies appropriated by the General Assembly, may be created for the administration and advertising of the program.</u></p> <p><u>(c) The report required by this section shall include a recommendation as to whether the Vermont Products Program should replace the rules regarding Vermont Origin adopted by the Attorney General.</u></p>
<p>Vermont Treasurer; 10% for Vermont; Local Investment Advisory Committee</p>	<p>Secs. 17-18; Senate provisions</p>	<p>Sec. 26. VERMONT STATE TREASURER; CREDIT FACILITY FOR LOCAL INVESTMENTS</p> <p><u>(a) Notwithstanding any other provision of law to the contrary, the Vermont State Treasurer shall have the authority to establish a credit facility of up to 10 percent of the State's average cash balance on terms acceptable to the Treasurer for purposes established by the Treasurer's Local Investment Advisory Committee.</u></p> <p><u>(b) The amount authorized in subsection (a) of this section shall include all credit facilities authorized by the General Assembly and established by the Treasurer prior to or subsequent to the effective date of this section, and the renewal or replacement of those credit facilities.</u></p> <p>Sec. 27. TREASURER'S LOCAL INVESTMENT ADVISORY COMMITTEE; REPORT</p> <p><u>(a) Creation of committee. The Treasurer's Local Investment Advisory Committee (Advisory Committee) is established to advise the Treasurer on funding priorities and address other mechanisms to increase local investment.</u></p> <p><u>(b) Membership.</u></p> <p><u>(1) The Advisory Committee shall be composed of six members as follows:</u></p> <p><u>(A) the State Treasurer or designee;</u></p> <p><u>(B) the Chief Executive Officer of the Vermont Economic Development Authority or designee;</u></p> <p><u>(C) the Chief Executive Officer of the Vermont Student Assistance Corporation or designee;</u></p> <p><u>(D) the Executive Director of the Vermont Housing Finance Agency or designee;</u></p> <p><u>(E) the Director of the Municipal Bond Bank or designee; and</u></p>

		<p><u>(F) the Director of Efficiency Vermont or designee.</u></p> <p><u>(2) The State Treasurer shall be the Chair of the Advisory Committee and shall appoint a vice chair and secretary. The appointed members of the Advisory Committee shall be appointed for terms of six years and shall serve until their successors are appointed and qualified.</u></p> <p><u>(c) Powers and duties. The Advisory Committee shall:</u></p> <p><u>(1) meet regularly to review and make recommendations to the State Treasurer on funding priorities and using other mechanisms to increase local investment in the State of Vermont;</u></p> <p><u>(2) invite regularly State organizations and citizens groups to Advisory Committee meetings to present information on needs for local investment, capital gaps, and proposals for financing; and</u></p> <p><u>(3) consult with constituents and review feedback on changes and needs in the local and State investment and financing environments.</u></p> <p><u>(d) Meetings. The Advisory Committee shall meet no more than six times per calendar year. The meetings shall be convened by the State Treasurer.</u></p> <p><u>(e) Report. On or before January 15, 2015, and annually thereafter, the Advisory Committee shall submit a report to the Senate Committees on Finance and on Government Operations and the House Committees on Ways and Means and on Government Operations. The report shall include the following:</u></p> <p><u>(1) the amount of the subsidies associated with lending through each credit facility authorized by the General Assembly and established by the Treasurer;</u></p> <p><u>(2) a description of the Advisory Committee's activities; and</u></p> <p><u>(3) any information gathered by the Advisory Committee on the State's unmet capital needs, and other opportunities for State support for local investment and the community.</u></p> <p><u>(f) It is the intent of the General Assembly that the Advisory Committee report described in subsection (e) of this section that is due on or before January 15, 2015 shall include a recommendation on whether to grant statutory authority to the Vermont Economic Development Authority to engage in banking activities.</u></p>
Effective Dates	<p>Sec. 37. EFFECTIVE DATES <u>This act shall take effect on July 1, 2014, except that 16 V.S.A. §</u></p>	<p>Sec. 29. EFFECTIVE DATES <u>This act shall take effect on July 1, 2014, except that 16 V.S.A. § 2888(d) in Sec. 25</u></p>

	<u>2888(d) shall take effect on July 1, 2015.</u>	<u>shall take effect on July 1, 2015.</u>