1	FIRST PROPOSAL OF THE COMMITTEE
2	ON THE PART OF THE HOUSE
3	* * * One-Stop Business Support Services * * *
4	Sec. 1. ONE-STOP SHOP WEB PORTAL
5	(a) Purpose. The State of Vermont seeks to simplify and expedite the
6	process for business creation and growth by providing:
7	(1) a clear guide to resources and technical assistance for all phases of
8	business development;
9	(2) a directory of financial assistance, including grants, funding capital,
10	tax credits, and incentives;
11	(3) a directory of workforce development assistance, including
12	recruiting, job postings, and training;
13	(4) a link to centralized business services available from the Secretary of
14	State, the Department of Labor, the Department of Taxes, and others; and
15	(5) agency contacts and links for available services and resources.
16	(b) Administration. On or before June 30, 2015, the Secretary of State,
17	Department of Taxes, Department of Labor, the Vermont Attorney General,
18	the Agency of Commerce and Community Development, and the Agency of
19	Administration shall coordinate with other relevant agencies and departments
20	within State government and outside partners, including regional development
21	corporations, regional planning commissions, and small business development

1	centers, to provide comprehensive business services, regional coaching teams,
2	print materials, other outreach, and a "One-Stop Shop" website.
3	(c) On or before January 15, 2015, the Secretary of State and partners shall
4	report to the Senate Committee on Economic Development, Housing and
5	General Affairs and the House Committee on Commerce and Economic
6	Development to inform the committees of the status of the project and a
7	timeline for its completion.
8	* * * Vermont Enterprise Fund * * *
9	Sec. 2. VERMONT ENTERPRISE FUND
10	(a) There is created a Vermont Enterprise Fund, the sums of which may be
11	used by the Governor, with the approval of the Emergency Board, for the
12	purpose of making economic and financial resources available to businesses
13	facing circumstances that necessitate State government support and response
14	more rapidly than would otherwise be available from, or that would be in
15	addition to, other economic incentives.
16	(b)(1) The Fund shall be administered by the Commissioner of Finance and
17	Management as a special fund under the provisions of chapter 7, subchapter 5
18	of this title.
19	(2) The Fund shall contain any amounts transferred or appropriated to it
20	by the General Assembly.
21	(3) Interest earned on the Fund and any balance remaining at the end of
22	the fiscal year shall remain in the Fund.

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1	(4) The Commissioner shall maintain records that indicate the amount of	
2	money in the Fund at any given time.	
3	(c) The Governor is authorized to use amounts available in the Fund to	
4	offer economic and financial resources to an eligible business pursuant to this	
5	section, subject to approval by the Emergency Board as provided in subsection	
6	(e) of this section.	
7	(d) To be eligible for an investment through the Fund, the Governor shall	
8	determine that a business:	
9	(1) adequately demonstrates:	
10	(A) a substantial statewide or regional economic or employment	
11	impact; or	
12	(B) approval or eligibility for other economic development incentives	
13	and programs offered by the State of Vermont; and	
14	(2) is experiencing one or more of the following circumstances:	
15	(A) a merger or acquisition may cause the closing of all or a portion	
16	of a Vermont business, or closure or relocation outside Vermont will cause the	
17	loss of employment in Vermont;	
18	(B) a prospective purchaser is considering the acquisition of an	
19	existing business in Vermont;	
20	(C) an existing employer in Vermont, which is a division or	
21	subsidiary of a multistate or multinational company, may be closed or have its	
22	employment significantly reduced; or	

1	(D) is considering Vermont for relocation or expansion.
2	(e)(1) Any economic and financial resources offered by the Governor under
3	this section must be approved by the Emergency Board before an eligible
4	business may receive assistance from the Fund.
5	(2) The Board shall invite the Chair of the Senate Committee on
6	Economic Development, Housing and General Affairs and the Chair of the
7	House Committee on Commerce and Economic Development to participate in
8	Board deliberations under this section in an advisory capacity.
9	(3) The Governor or designee, shall present to the Emergency Board for
10	its approval:
11	(A) information on the company;
12	(B) the circumstances supporting the offer of economic and financial
13	resources;
14	(C) a summary of the economic activity proposed or that would be
15	forgone:
16	(D) other State incentives and programs offered or involved;
17	(E) the economic and financial resources offered by the Governor
18	requiring use of monies from the Fund;
19	(F) employment, investment, and economic impact of Fund support
20	on the employer, including a fiscal cost-benefit analysis; and
21	(G) terms and conditions of the economic and financial resources
22	offered, including:

1	(i) the total dollar amount and form of the economic and financial
2	resources offered;
3	(ii) employment creation, employment retention, and capital
4	investment performance requirements; and
5	(iii) disallowance and recapture provisions.
6	(4) The Emergency Board shall have the authority to approve,
7	disapprove, or modify an offer of economic and financial resources in its
8	discretion, including consideration of the following:
9	(A) whether the business has presented sufficient documentation to
10	demonstrate compliance with subsection (d) of this section;
11	(B) whether the Governor has presented sufficient information to the
12	Board under subdivision (3) of this subsection (e);
13	(C) whether the business has received other State resources and
14	incentives, and if so, the type and amount; and
15	(D) whether the business and the Governor have made available to
16	the Board sufficient information and documentation for the Auditor of
17	Accounts to perform an adequate performance audit of the program, including
18	the extent to which necessary information or documentation is or will be
19	withheld under a claim that it is confidential, proprietary, or subject to
20	executive privilege.
21	(f)(1) Proprietary business information and materials or other confidential
22	financial information submitted by a business to the State, or submitted by the

1	Governor to the Emergency Board, for the purpose of negotiating or approving
2	economic and financial resources under this section shall not be subject to
3	public disclosure under the State's public records law in 1 V.S.A. chapter 5,
4	but shall be available to the Joint Fiscal Office or its agent upon authorization
5	of the Chair of the Joint Fiscal Committee, and shall also be available to the
6	Auditor of Accounts in connection with the performance of duties under
7	32 V.S.A. § 163 of this title; provided, however, that the Joint Fiscal Office or
8	its agent and the Auditor of Accounts shall not disclose, directly or indirectly,
9	to any person any proprietary business or other confidential information or any
10	information which would identify a business except in accordance with a
11	judicial order or as otherwise specifically provided by law.
12	(2) Nothing in this subsection shall be construed to prohibit the
13	publication of statistical information, rulings, determinations, reports, opinions,
14	policies, or other information so long as the data are disclosed in a form that
15	cannot identify or be associated with a particular business.
16	(g) On or before January 15 of each year following a year in which
17	economic and financial resources were made available pursuant to this section,
18	the Secretary of Commerce and Community Development shall submit to the
19	House Committees on Commerce and Economic Development and on Ways
20	and Means and to the Senate Committees on Finance and on Economic
20 21	and Means and to the Senate Committees on Finance and on Economic Development, Housing and General Affairs a report on the resources made

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1	(1) the name of the recipient;
2	(2) the amount and type of the resources;
3	(3) the aggregate number of jobs created or retained as a result of the
4	resources;
5	(4) a statement of costs and benefits to the State; and
6	(5) whether any offer of resources was disallowed or recaptured.
7	(h) This section shall sunset on June 30, 2016 and any remaining balance in
8	the Fund shall be transferred to the General Fund.
9	Sec. 3. CONTINGENT FISCAL YEAR 2014 APPROPRIATION
10	After satisfying the requirements of 32 V.S.A. § 308, and after other reserve
11	requirements have been met and prior to any funds reserved pursuant to
12	32 V.S.A. § 308c, any remaining unreserved and undesignated end of fiscal
13	year General Fund surplus up to \$5,000,000.00 shall be appropriated to the
14	extent available, in the following order:
15	(1) \$500,000.00 to the Vermont Economic Development Authority for
16	loan loss reserves within the Vermont Entrepreneurial Lending Program for the
17	purposes specified in 10 V.S.A. § 280bb;
18	(2) \$4,500,000.00 to the Vermont Enterprise Fund for the purposes
10	specified in Sec. 2 of this act

19 <u>specified in Sec. 2 of this act.</u>

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1	<pre>* * * Vermont Economic Development Authority * *</pre>	*
2	Sec. 4. 10 V.S.A. chapter 12 is amended to read:	
3	CHAPTER 12. VERMONT ECONOMIC DEVELOPM	ENT
4	AUTHORITY	
5	* * *	
6	Subchapter 12. Technology Loan Vermont Entrepreneurial	Lending
7	Program	
8	§ 280aa. FINDINGS AND PURPOSE	
9	(a)(1) Technology-based companies Vermont-based businesse	<u>es in seed,</u>
10	start-up, and growth-stages are a vital source of innovation, emplo	oyment, and
11	economic growth in Vermont. The continued development and su	uccess of this
12	increasingly important sector of Vermont's economy these busine	<u>esses</u> is
13	dependent upon the availability of flexible, risk-based capital.	
14	(2) Because the primary assets of technology based compa	nies
15	sometimes Vermont-based businesses in seed, start-up, and growt	h stages often
16	consist almost entirely of intellectual property or insufficient tang	ible assets to
17	support conventional lending, such these companies frequently de	→ <u>may</u> not
18	have access to conventional means of raising capital, such as asse	t-based bank
19	financing.	
20	(b) To support the growth of technology-based companies Ver	rmont-based
21	businesses in seed, start-up, and growth stages and the resultant ca	reation of
22	high-wage higher wage employment in Vermont, a technology lo	a n program is

1	established under this subchapter the General Assembly hereby creates in this
2	subchapter the Vermont Entrepreneurial Lending Program.
3	§ 280bb. TECHNOLOGY LOAN VERMONT ENTREPRENEURIAL
4	LENDING PROGRAM
5	(a) There is created a technology (TECH) loan program the Vermont
6	Entrepreneurial Lending Program to be administered by the Vermont economic
7	development authority Economic Development Authority. The program
8	Program shall seek to meet the working capital and capital-asset financing
9	needs of technology based companies start-up, early stage, and growth-stage
10	businesses in Vermont. The Program shall specifically seek to fulfill capital
11	requirement needs that are unmet in Vermont, including:
12	(1) loans up to \$100,000.00 to manufacturing businesses and software
13	developers with innovative products that typically reflect long-term, organic
14	growth;
15	(2) loans up to \$1,000,000.00 in growth-stage companies who do not
16	meet the underwriting criteria of other public and private entrepreneurial
17	financing sources; and
18	(3) loans to businesses that are unable to access adequate capital
19	resources because the primary assets of these businesses are typically
20	intellectual property or similar nontangible assets.
21	(b) The economic development authority Authority shall establish such
22	adopt regulations, policies, and procedures for the program Program as are

1	necessary to carry out the purposes of this subchapter. The authority's lending
2	criteria shall include consideration of in-state competition and whether a
3	company has made reasonable efforts to secure capital in the private sector
4	increase the amount of investment funds available to Vermont businesses
5	whose capital requirements are not being met by conventional lending sources.
6	(c) When considering entrepreneurial lending through the Program, the
7	Authority shall give additional consideration and weight to an application of a
8	business whose business model and practices will have a demonstrable effect
9	in achieving other public policy goals of the State, including:
10	(1) The business will create jobs in strategic sectors such as the
11	knowledge-based economy, renewable energy, advanced manufacturing, wood
12	products manufacturing, and value-added agricultural processing.
13	(2) The business is located in a designated downtown, village center,
14	growth center, industrial park, or other significant geographic location
15	recognized by the State.
16	(3) The business adopts energy and thermal efficiency practices in its
17	operations or otherwise operates in a way that reflects a commitment to green
18	energy principles.
19	(4) The business will create jobs that pay a livable wage and significant
20	benefits to Vermont employees.
21	(d) The Authority shall include provisions in the terms of an loan made
22	under the Program to ensure that a loan recipient shall maintain operations

1	within the State for a minimum of five years from the date on which the
2	recipient receives the loan funds from the Authority or shall otherwise be
3	required to repay the outstanding funds in full.
4	* * *
5	Sec. 5. VERMONT ENTREPRENEURIAL LENDING PROGRAM; LOAN
6	LOSS RESERVE FUNDS; CAPITALIZATION
7	(a) The Vermont Economic Development Authority shall capitalize loan
8	loss reserves for the Vermont Entrepreneurial Lending Program created in
9	10 V.S.A. § 280bb with the following funding from the following sources:
10	(1) up to \$1,000,000.00 from Authority funds or eligible federal funds
11	currently administered by the Authority; and
12	(2) Fiscal Year 2014 funds appropriated to the Program pursuant to
13	Sec. 1b of this act.
14	(b) The Authority shall use the funds in subsection (a) of this section solely
15	for the purpose of establishing and maintaining loan loss reserves to guarantee
16	loans made pursuant to 10 V.S.A. § 280bb.
17	Sec. 6. 10 V.S.A. chapter 16A is amended to read:
18	CHAPTER 16A. VERMONT AGRICULTURAL CREDIT PROGRAM
19	§ 374a. CREATION OF THE VERMONT AGRICULTURAL CREDIT
20	PROGRAM
21	* * *

1	(b) No borrower shall be approved for a loan from the corporation that
2	would result in the aggregate principal balances outstanding of all loans to that
3	borrower exceeding the then-current maximum Farm Service Agency loan
4	guarantee limits, or \$2,000,000.00, whichever is greater.
5	§ 374b. DEFINITIONS
6	As used in this chapter:
7	(1) "Agricultural facility" means land and rights in land, buildings,
8	structures, machinery, and equipment which is used for, or will be used for
9	producing, processing, preparing, packaging, storing, distributing, marketing,
10	or transporting agricultural products which have been primarily produced in
11	this state State, and working capital reasonably required to operate an
12	agricultural facility.
13	(2) "Agricultural land" means real estate capable of supporting
14	commercial farming or forestry, or both.
15	(3) "Agricultural products" mean crops, livestock, forest products, and
16	other farm or forest commodities produced as a result of farming or forestry
17	activities.
18	(4) "Farm ownership loan" means a loan to acquire or enlarge a farm or
19	agricultural facility, to make capital improvements including construction,
20	purchase, and improvement of farm and agricultural facility buildings that can
21	be made fixtures to the real estate, to promote soil and water conservation and

1	protection, and to refinance indebtedness incurred for farm ownership or
2	operating loan purposes, or both.
3	(5) "Authority" means the Vermont economic development authority
4	Economic Development Authority.
5	(6) "Cash flow" means, on an annual basis, all income, receipts, and
6	revenues of the applicant or borrower from all sources and all expenses of the
7	applicant or borrower, including all debt service and other expenses.
8	(7) "Farmer" means an individual directly engaged in the management
9	or operation of an agricultural facility or farm operation for whom the
10	agricultural facility or farm operation constitutes two or more of the following:
11	(A) is or is expected to become a significant source of the farmer's
12	income;
12 13	income; (B) the majority of the farmer's assets; and
13	(B) the majority of the farmer's assets; and
13 14	(B) the majority of the farmer's assets; and(C) an occupation <u>in which</u> the farmer is actively engaged in, either
13 14 15	 (B) the majority of the farmer's assets; and (C) an occupation <u>in which</u> the farmer is actively engaged in, either on a seasonal or year-round basis.
13 14 15 16	 (B) the majority of the farmer's assets; and (C) an occupation <u>in which</u> the farmer is actively engaged in, either on a seasonal or year-round basis. (8) "Farm operation" shall mean the cultivation of land or other uses of
13 14 15 16 17	 (B) the majority of the farmer's assets; and (C) an occupation <u>in which</u> the farmer is actively engaged in, either on a seasonal or year-round basis. (8) "Farm operation" shall mean the cultivation of land or other uses of land for the production of food, fiber, horticultural, <u>silvicultural</u>, orchard,
13 14 15 16 17 18	 (B) the majority of the farmer's assets; and (C) an occupation <u>in which</u> the farmer is actively engaged in, either on a seasonal or year-round basis. (8) "Farm operation" shall mean the cultivation of land or other uses of land for the production of food, fiber, horticultural, <u>silvicultural</u>, orchard, maple syrup, Christmas trees, <u>forest products</u>, or forest crops; the raising,
13 14 15 16 17 18 19	 (B) the majority of the farmer's assets; and (C) an occupation <u>in which</u> the farmer is actively engaged in, either on a seasonal or year-round basis. (8) "Farm operation" shall mean the cultivation of land or other uses of land for the production of food, fiber, horticultural, <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

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1	* * *	
2	* * * Connecting Capital Providers and Entrepreneurs	* * *
3	Sec. 7. NETWORKING INITIATIVES	
4	(a) The Agency of Commerce and Community Development	shall support
5	networking events offered by one or more regional economic de	<u>velopment</u>
6	providers designed to connect capital providers with one another	<u>c or with</u>
7	Vermont entrepreneurs, or both, and shall take steps to facilitate	outreach and
8	matchmaking opportunities between investors and entrepreneurs	<u></u>
9	(b) The Agency shall submit to the House Committee on Con	mmerce and
10	Economic Development and to the Senate Committee on Economic	mic
11	Development, Housing and General Affairs a report on or before	e January 15,
12	2015 concerning the structure of networking initiatives, the relevant	ant provisions
13	of governing performance contracts, the benchmarks and measure	res of
14	performance, and the outcomes of and further recommendations	for the
15	program.	
16	Sec. 8. 32 V.S.A. § 5930aa(3) is amended to read:	
17	(3) "Qualified code <u>or technology</u> improvement project"	neans a
18	project:	
19	(A)(i) $\overline{\text{To}}$ to install or improve platform lifts suitable for	or transporting
20	personal mobility devices, elevators, sprinkler systems, and capi	tal
21	improvements in a qualified building, and the installations or im	provements
22	are required to bring the building into compliance with the statut	ory

1	requirements and rules recording fire prevention life sefects, and electrical
1	requirements and rules regarding fire prevention, life safety, and electrical,
2	plumbing, and accessibility codes as determined by the department of public
3	safety. Department of Public Safety; or
4	(ii) to install or improve data or network wiring, or heating,
5	ventilating, or cooling systems reasonably related to data or network
6	installations or improvements, in a qualified building, provided that a
7	professional engineer licensed under 26 V.S.A. chapter 20 certifies as to the
8	fact and cost of the installation or improvement;
9	(B) $\underline{\text{To}}$ to abate lead paint conditions or other substances hazardous to
10	human health or safety in a qualified building- <u>; or</u>
11	(C) To \underline{to} redevelop a contaminated property in a designated
12	downtown or village center under a plan approved by the Secretary of Natural
13	Resources pursuant to 10 V.S.A. § 6615a.
14	Sec. 9. 32 V.S.A. § 5930aa(7) is amended to read:
15	(7) "Qualified project" means a qualified code or technology
16	improvement, qualified façade improvement, qualified technology
17	infrastructure project, or qualified historic rehabilitation project as defined by
18	this subchapter.
19	Sec. 10. 32 V.S.A. § 5930bb is amended to read:
20	§ 5930bb. ELIGIBILITY AND ADMINISTRATION
21	(a) Qualified applicants may apply to the State Board to obtain the tax
22	credits provided by this subchapter for qualified code improvement, façade

1	improvement, or historic rehabilitation projects a qualified project at any time
2	before one year after completion of the qualified project.
3	* * *
4	Sec. 11. 32 V.S.A. § 5930cc(c) is amended to read:
5	(c) Code or technology improvement tax credit. The qualified applicant of
6	a qualified code or technology improvement project shall be entitled, upon the
7	approval of the State Board, to claim against the taxpayer's State individual
8	income tax, State corporate income tax, or bank franchise or insurance
9	premiums tax liability a credit of 50 percent of qualified expenditures up to a
10	maximum tax credit of \$12,000.00 for installation or improvement of a
11	platform lift, a maximum tax credit of \$50,000.00 for installation or
12	improvement of an elevator, a maximum tax credit of \$50,000.00 for
13	installation or improvement of a sprinkler system, a maximum tax credit of
14	\$30,000.00 for the combined costs of installation or improvement of data or
15	network wiring or a heating, ventilating, or cooling system, and a maximum
16	tax credit of \$25,000.00 for the combined costs of all other qualified code
17	improvements.
18	Sec. 12. 30 V.S.A. § 218e is added to read:
19	§ 218e. IMPLEMENTING STATE ENERGY POLICY;
20	MANUFACTURING
21	To give effect to the policies of section 202a of this title to provide reliable
22	and affordable energy and assure the State's economic vitality, it is critical to

1	retain and recruit manufacturing and other businesses and to consider the
2	impact on manufacturing and other businesses when issuing orders, adopting
3	rules, and making other decisions affecting the cost and reliability of electricity
4	and other fuels. Implementation of the State's energy policy should:
5	(1) encourage recruitment and retention of employers providing
6	high-quality jobs and related economic investment and support the State's
7	economic welfare; and
8	(2) appropriately balance the objectives of this section with the other
9	policy goals and criteria established in this title.
10	Sec. 13. INVESTIGATION; ELECTRICITY COSTS; MANUFACTURING
11	(a) The Commissioner of Public Service and the Secretary of Commerce
12	and Community Development, in consultation with the Public Service Board, a
13	private organization that represents the interests of manufacturers, a
14	cooperative electric company, an efficiency utility, a shareholder-owned
15	utility, the Vermont Public Power Supply Authority (VPPSA), a municipal
16	utility that is not a member of VPPSA, and the Vermont Electric Power
17	Company (VELCO), shall conduct an investigation of how best to advance the
18	public good through consideration of the competitiveness of Vermont's
19	industrial or manufacturing businesses with regard to electricity costs.
20	(b) In conducting the investigation required by this section, the
21	Commissioner and Secretary shall consider:

1	(1) how best to incorporate into rate design proceedings the impact of
2	electricity costs on business competitiveness and the identification of the costs
3	of service incurred by businesses;
4	(2) with regard to the energy efficiency programs established under
5	section 209 of this title, potential changes to their delivery, funding, financing,
б	and participation requirements;
7	(3) the history and outcome of any evaluations of the Energy Savings
8	Account or Customer Credit programs, as well as best practices for customer
9	self-directed energy efficiency programs;
10	(4) the history and outcome of any evaluations of retail choice programs
11	or policies, as related to business competitiveness, that have been undertaken
12	in Vermont and in other jurisdictions;
13	(5) any other programs or policies the Commissioner and the Secretary
14	deem relevant;
15	(6) whether and to what extent any programs or policies considered by
16	the Commissioner and the Secretary under this section would impose cost
17	shifts onto other customers, result in stranded costs (costs that cannot be
18	recovered by a regulated utility due to a change in regulatory structure or
19	policy), or conflict with renewable energy requirements in Vermont and, if so,
20	whether such programs or policies would nonetheless promote the public good;

1	(7) whether and to what extent costs have shifted to residential and
2	business ratepayers following the loss of large utility users, and potential
3	scenarios for additional cost shifts of this type; and
4	(8) the potential benefits and potential cost shift to residential and
5	business ratepayers if a large utility user undertakes efficiency measures and
6	thereby reduces its share of fixed utility costs.
7	(c) In conducting the investigation required by this section, the
8	Commissioner and Secretary shall provide the following persons and entities
9	an opportunity for written and oral comments:
10	(1) consumer and business advocacy groups;
11	(2) regional development corporations and regional planning
12	commissions; and
13	(3) any other person or entity as determined by the Commissioner and
14	Secretary.
15	(d) On or before December 15, 2014, the Commissioner and Secretary shall
16	provide a status report to the General Assembly of its findings and
17	recommendations regarding regulatory or statutory changes that would reduce
18	energy costs for Vermont businesses and promote the public good. On or
19	before December 15, 2015, the Commissioner and Secretary shall provide a
20	final report to the General Assembly of such findings and recommendations.

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1	* * * Domestic Export Program * * *	
2	Sec. 14. DOMESTIC MARKET ACCESS PROGRAM FOR VI	ERMONT
3	AGRICULTURE AND FOREST PRODUCTS	
4	(a) The Secretary of Agriculture, Food and Markets, in collab	ooration with
5	the Agency of Commerce and Community Development and the	Chief
6	Marketing Officer, shall, subject to available funding, create a De	omestic
7	Export Program Pilot Project within the "Made in Vermont" desi	gnation
8	program, the purpose of which shall be to:	
9	(1) connect Vermont producers with brokers, buyers, and	distributors in
10	other U.S. state and regional markets,	
11	(2) provide technical and marketing assistance to Vermon	t producers to
12	convert these connections into increased sales and sustainable co	mmercial
13	relationships; and	
14	(3) provide one-time matching grants of up to \$2,000.00 p	er business to
15	attend trade shows and similar events to expand producers' mark	et presence in
16	other U.S. states, subject to available funding.	
17	(b) The Secretary shall collect data on the activities and outco	omes of the
18	pilot project authorized under this section and shall report his or	her findings
19	and recommendations for further action on or before January 15,	2015, to the
20	House Committees on Agriculture and Forest Products and on Co	ommerce and
21	Economic Development and to the Senate Committees on Agricu	ulture and on
22	Economic Development, Housing and General Affairs.	

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1	* * * Criminal Penalties for Computer Crimes * * *
2	Sec. 15. 13 V.S.A. chapter 87 is amended to read:
3	CHAPTER 87. COMPUTER CRIMES
4	* * *
5	§ 4104. ALTERATION, DAMAGE, OR INTERFERENCE
6	(a) A person shall not intentionally and without lawful authority, alter,
7	damage, or interfere with the operation of any computer, computer system,
8	computer network, computer software, computer program, or data contained in
9	such computer, computer system, computer program, or computer network.
10	(b) Penalties. A person convicted of violating this section shall be:
11	(1) if the damage or loss does not exceed \$500.00 for a first offense,
12	imprisoned not more than one year or fined not more than $\frac{500.00}{5,000.00}$,
13	or both;
14	(2) if the damage or loss does not exceed \$500.00 for a second or
15	subsequent offense, imprisoned not more than two years or fined not more than
16	\$1,000.00 <u>\$10,000.00</u> , or both; or
17	(3) if the damage or loss exceeds \$500.00, imprisoned not more than
18	10 years or fined not more than \$10,000.00 \$25,000.00, or both.
19	§ 4105. THEFT OR DESTRUCTION
20	(a)(1) A person shall not intentionally and without claim of right deprive
21	the owner of possession, take, transfer, copy, conceal, or retain possession of,
22	or intentionally and without lawful authority, destroy any computer system,

1	computer network, computer software, computer program, or data contained in
2	such computer, computer system, computer program, or computer network.
3	(2) Copying a commercially available computer program or computer
4	software is not a crime under this section, provided that the computer program
5	and computer software has a retail value of \$500.00 or less and is not copied
6	for resale.
7	(b) Penalties. A person convicted of violating this section shall be:
8	(1) if the damage or loss does not exceed \$500.00 for a first offense,
9	imprisoned not more than one year or fined not more than \$500.00 \$5,000.00,
10	or both;
11	(2) if the damage or loss does not exceed \$500.00 for a second or
12	subsequent offense, imprisoned not more than two years or fined not more than
13	\$1,000.00 <u>\$10,000.00</u> , or both; or
14	(3) if the damage or loss exceeds \$500.00, imprisoned not more than
15	10 years or fined not more than \$10,000.00 \$25,000.00, or both.
16	§ 4106. CIVIL LIABILITY
17	A person damaged as a result of a violation of this chapter may bring a civil
18	action against the violator for damages, costs, and fees, including reasonable
19	attorney's fees, and such other relief as the court deems appropriate.
20	* * *

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1	* * * Statute of Limitations to Commence Action	l
2	for Misappropriation of Trade Secrets * * *	
3	Sec. 16. 12 V.S.A. § 523 is amended to read:	
4	§ 523. TRADE SECRETS	
5	An action for misappropriation of trade secrets under <u>9 V.S.A</u>	<u>A.</u> chapter 143
6	of Title 9 shall be commenced within three years after the cause	of action
7	accrues, and not after. The cause of action shall be deemed to ac	ccrue as of the
8	date the misappropriation was discovered or reasonably should h	nave been
9	discovered.	
10	* * * Protection of Trade Secrets * * *	
11	Sec. 17. 9 V.S.A. chapter 143 is amended to read:	
12	CHAPTER 143. TRADE SECRETS	
13	§ 4601. DEFINITIONS	
14	As used in this chapter:	
15	(1) "Improper means" includes theft, bribery, misrepreser	ntation, breach
16	or inducement of a breach of a duty to maintain secrecy, or espic	onage through
17	electronic or other means.	
18	(2) "Misappropriation" means:	
19	(A) acquisition of a trade secret of another by a person	who knows or
20	has reason to know that the trade secret was acquired by improp	er means; or
21	(B) disclosure or use of a trade secret of another witho	ut express or
22	implied consent by a person who:	

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1	(i) used improper means to acquire knowledge of the	e trade
2	secret; or	
3	(ii) at the time of disclosure or use, knew or had reas	son to know
4	that his or her knowledge of the trade secret was:	
5	(I) derived from or through a person who had util	lized improper
6	means to acquire it;	
7	(II) acquired under circumstances giving rise to a	duty to
8	maintain its secrecy or limit its use; or	
9	(III) derived from or through a person who owed	a duty to the
10	person seeking relief to maintain its secrecy or limit its use; or	
11	(iii) before a material change of his or her position,	knew or had
12	reason to know that it was a trade secret and that knowledge of it	had been
13	acquired by accident or mistake.	
14	(3) "Trade secret" means information, including a formula	a, pattern,
15	compilation, program, device, method, technique, or process, that	.t:
16	(A) derives independent economic value, actual or pote	ential, from
17	not being generally known to, and not being readily ascertainable	e by proper
18	means by, other persons who can obtain economic value from its	disclosure or
19	use; and	
20	(B) is the subject of efforts that are reasonable under th	e
21	circumstances to maintain its secrecy.	
22	§ 4602. INJUNCTIVE RELIEF	

1	(a) Actual A court may enjoin actual or threatened misappropriation may
2	be enjoined of a trade secret. Upon application to the court, an injunction shall
3	be terminated when the trade secret has ceased to exist, but the injunction may
4	be continued for an additional reasonable period of time in order to eliminate
5	commercial advantage that otherwise would be derived from the
б	misappropriation.
7	(b) In exceptional circumstances, an injunction may condition future use
8	upon payment of a reasonable royalty for no longer than the period of time for
9	which use could have been prohibited. Exceptional circumstances include, but
10	are not limited to, a material and prejudicial change of position prior to
11	acquiring knowledge or reason to know of misappropriation that renders a
12	prohibitive injunction inequitable.
13	(c) In appropriate circumstances, affirmative acts to protect a trade secret
14	may be compelled by court order.
15	§ 4603. DAMAGES
16	(a)(1) Except to the extent that a material and prejudicial change of position
17	prior to acquiring knowledge or reason to know of misappropriation renders a
18	monetary recovery inequitable, a complainant is entitled to recover damages
19	for misappropriation.
20	(2) Damages can include both the actual loss caused by
21	misappropriation and the unjust enrichment caused by misappropriation that is
22	not taken into account in computing actual loss.

1	(3) In lieu of damages measured by any other methods, the damages
2	caused by misappropriation may be measured by imposition of liability for a
3	reasonable royalty for a misappropriator's unauthorized disclosure or use of a
4	trade secret.
5	(4) A court shall award a substantially prevailing party his or her costs
6	and fees, including reasonable attorney's fees, in an action brought pursuant to
7	this chapter.
8	(b) If malicious misappropriation exists, the court may award punitive
9	damages.
10	§ 4605. PRESERVATION OF SECRECY
11	In an action under this chapter, a court shall preserve the secrecy of an
12	alleged trade secret by reasonable means, which may include granting
13	protective orders in connection with discovery proceedings, holding in-camera
14	hearings, sealing the records of the action, and ordering any person involved in
15	the litigation not to disclose an alleged trade secret without prior court
16	approval.
17	§ 4607. EFFECT ON OTHER LAW
18	(a) Except as provided in subsection (b) of this section, this chapter
19	displaces conflicting tort, restitutionary, and any other law of this state State
20	providing civil remedies for misappropriation of a trade secret.
21	(b) This chapter does not affect:

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1	(1) contractual remedies, whether or not based upon misappropriation of
2	a trade secret;
3	(2) other civil remedies that are not based upon misappropriation of a
4	trade secret; or
5	(3) criminal remedies, whether or not based upon misappropriation of a
6	trade secret.
7	* * *
8	* * * Intellectual Property; Businesses and Government Contracting * * *
9	Sec. 18. 3 V.S.A. § 346 is added to read:
10	<u>§ 346. STATE CONTRACTING; INTELLECTUAL PROPERTY,</u>
11	SOFTWARE DESIGN, AND INFORMATION TECHNOLOGY
12	(a) The Secretary of Administration shall include in Administrative
13	Bulletin 3.5 a policy direction applicable to State procurement contracts that
14	include services for the development of software applications, computer
15	coding, or other intellectual property, which would allow the State of Vermont
16	to grant permission to the contractor to use or own the intellectual property
17	created under the contract for the contractor's commercial purposes.
18	(b) The Secretary may recommend contract provisions that authorize the
19	State to negotiate with a contractor to secure license terms and license fees,
20	royalty rights, or other payment mechanism for the contractor's commercial
21	use of intellectual property developed under a State contract.

1	(c) If the Secretary authorizes a contractor to own intellectual property
2	developed under a State contract, the Secretary may recommend language to
3	ensure the State retains a perpetual, irrevocable, royalty-free, and fully paid
4	right to continue to use the intellectual property.
5	* * * Department of Financial Regulation * * *
6	Sec. 19. SMALL BUSINESS ACCESS TO CAPITAL
7	(a) Crowdfunding study. The Department of Financial Regulation shall
8	study the opportunities and limitations for crowdfunding to increase access to
9	capital for Vermont's small businesses. On or before January 15, 2015, the
10	Department shall report its findings and recommendations to the House
11	Committee on Commerce and Economic Development and the Senate
12	Committee on Economic Development, Housing and General Affairs.
13	(b) Small business issuer education and outreach. On or before January 15,
14	2015, the Department of Financial Regulation shall conduct at least two
15	educational events to inform the legal, small business, and investor
16	communities and other interested parties, of opportunities for small businesses
17	to access capital in Vermont, including, the Vermont Small Business Offering
18	Exemption regulation and other securities registration exemptions.
19	(c) Vermont Small Business Offering Exemption. The Commissioner of
20	Financial Regulation shall exercise his or her rulemaking authority under
21	9 V.S.A. chapter 150 to review and revise the Vermont Small Business
22	Offering Exemption and any other state securities exemptions, specifically

1	including those designed to complement exemptions from federal registration
2	requirements available under Regulation D, in order to recognize and reflect
3	the evolution of capital markets and to ensure that Vermont remains current
4	and competitive in its securities regulations, particularly with respect to access
5	to capital for small businesses.
6	Sec. 20. STUDY; DEPARTMENT OF FINANCIAL REGULATION;
7	LICENSED LENDER REQUIREMENTS; COMMERCIAL
8	LENDERS
9	On or before January 15, 2015, the Department of Financial Regulation
10	shall solicit public comment on, evaluate, and report to the House Committee
11	on Commerce and Economic Development and to the Senate Committees on
12	Finance and on Economic Development, Housing and General Affairs any
13	statutory and regulatory changes to the State's licensed lender requirements
14	that are necessary to open private capital markets and remove unnecessary
15	barriers to business investment in Vermont.
16	* * * Licensed Lender Requirements; Exemption for De Minimis
17	Lending Activity * * *
18	Sec. 21. 8 V.S.A. § 2201 is amended to read:
19	2201. LICENSES REQUIRED
20	(a) No person shall without first obtaining a license under this chapter from
21	the commissioner Commissioner:

1	(1) engage in the business of making loans of money, credit, goods, or
2	things in action and charge, contract for, or receive on any such loan interest, a
3	finance charge, discount, or consideration therefore therefor;
4	(2) act as a mortgage broker;
5	(3) engage in the business of a mortgage loan originator; or
6	(4) act as a sales finance company.
7	(b) Each licensed mortgage loan originator must register with and maintain
8	a valid unique identifier with the Nationwide Mortgage Licensing System and
9	Registry and must be either:
10	(1) an employee actively employed at a licensed location of, and
11	supervised and sponsored by, only one licensed lender or licensed mortgage
12	broker operating in this state <u>State;</u>
13	(2) an individual sole proprietor who is also a licensed lender or licensed
14	mortgage broker; or
15	(3) an employee engaged in loan modifications employed at a licensed
16	location of, and supervised and sponsored by, only one third-party loan
17	servicer licensed to operate in this state State pursuant to chapter 85 of this
18	title. For purposes of As used in this subsection, "loan modification" means an
19	adjustment or compromise of an existing residential mortgage loan. The term
20	"loan modification" does not include a refinancing transaction.
21	(c) A person licensed pursuant to subdivision (a)(1) of this section may
22	engage in mortgage brokerage and sales finance if such person informs the

1	commissioner Commissioner in advance that he or she intends to engage in
2	sales finance and mortgage brokerage. Such person shall inform the
3	commissioner Commissioner of his or her intention on the original license
4	application under section 2202 of this title, any renewal application under
5	section 2209 of this title, or pursuant to section 2208 of this title, and shall pay
6	the applicable fees required by subsection 2202(b) of this title for a mortgage
7	broker license or sales finance company license.
8	(d) No lender license, mortgage broker license, or sales finance company
9	license shall be required of:
10	(1) a state <u>State</u> agency, political subdivision, or other public
11	instrumentality of the state; State.
12	(2) a <u>A</u> federal agency or other public instrumentality of the United
13	States;
14	(3) a <u>A</u> gas or electric utility subject to the jurisdiction of the public
15	service board Public Service Board engaging in energy conservation or safety
16	loans <u>;</u>
17	(4) $\frac{A}{A}$ depository institution or a financial institution as defined in
18	8 V.S.A. § 11101(32) ; .
19	(5) a <u>A</u> pawnbroker; <u>.</u>
20	(6) an <u>An</u> insurance company; <u>.</u>
21	(7) $\frac{A}{A}$ seller of goods or services that finances the sale of such goods or
22	services, other than a residential mortgage loan;.

1	(8) any Any individual who offers or negotiates the terms of a
2	residential mortgage loan secured by a dwelling that served as the individual's
3	residence, including a vacation home, or inherited property that served as the
4	deceased's dwelling, provided that the individual does not act as a mortgage
5	loan originator or provide financing for such sales so frequently and under
6	such circumstances that it constitutes a habitual activity and acting in a
7	commercial context;.
8	(9) lenders Lenders that conduct their lending activities, other than
9	residential mortgage loan activities, through revolving loan funds, that are
10	nonprofit organizations exempt from taxation under Section 501(c) of the
11	Internal Revenue Code, 26 U.S.C. § 501(c), and that register with the
12	commissioner of economic development Commissioner of Economic
13	Development under 10 V.S.A. § 690a;.
14	(10) persons Persons who lend, other than residential mortgage loans, an
15	aggregate of less than \$75,000.00 in any one year at rates of interest of no
16	more than 12 percent per annum;.
17	(11) a <u>A</u> seller who, pursuant to 9 V.S.A. 2355(f)(1)(D), includes the
18	amount paid or to be paid by the seller to discharge a security interest, lien
19	interest, or lease interest on the traded-in motor vehicle in a motor vehicle
20	retail installment sales contract, provided that the contract is purchased,
21	assigned, or otherwise acquired by a sales finance company licensed pursuant

1	to this title to purchase motor vehicle retail installment sales contracts or a
2	depository institution;.
3	(12)(A) $\frac{A}{A}$ person making an unsecured commercial loan, which loan
4	is expressly subordinate to the prior payment of all senior indebtedness of the
5	commercial borrower regardless of whether such senior indebtedness exists at
6	the time of the loan or arises thereafter. The loan may or may not include the
7	right to convert all or a portion of the amount due on the loan to an equity
8	interest in the commercial borrower;.
9	(B) for purposes of <u>As used in</u> this subdivision (12), "senior
10	indebtedness" means:
11	(i) all indebtedness of the commercial borrower for money
12	borrowed from depository institutions, trust companies, insurance companies,
13	and licensed lenders, and any guarantee thereof; and
14	(ii) any other indebtedness of the commercial borrower that the
15	lender and the commercial borrower agree shall constitute senior
16	indebtedness;.
17	(13) nonprofit Nonprofit organizations established under testamentary
18	instruments, exempt from taxation under Section 501(c)(3) of the Internal
19	Revenue Code, 26 U.S.C. § 501(c)(3), and which make loans for
20	postsecondary educational costs to students and their parents, provided that the
21	organizations provide annual accountings to the Probate Division of the
22	Superior Court <u>;</u>

1	(14) any Any individual who offers or negotiates terms of a residential
2	mortgage loan with or on behalf of an immediate family member of the
3	individual <u>;</u>
4	(15) $\frac{\mathbf{A}}{\mathbf{A}}$ housing finance agency.
5	(16) A person who makes no more than three mortgage loans in any
6	consecutive three-year period beginning on or after July 1, 2011.
7	(e) No mortgage loan originator license shall be required of:
8	(1) Registered mortgage loan originators, when employed by and acting
9	for an entity described in subdivision 2200(22) of this chapter.
10	(2) Any individual who offers or negotiates terms of a residential
11	mortgage loan with or on behalf of an immediate family member of the
12	individual.
13	(3) Any individual who offers or negotiates terms of a residential
14	mortgage loan secured by a dwelling that served as the individual's residence,
15	including a vacation home, or inherited property that served as the deceased's
16	dwelling, provided that the individual does not act as a mortgage loan
17	originator or provide financing for such sales so frequently and under such
18	circumstances that it constitutes a habitual activity and acting in a commercial
19	context.
20	(4) An individual who is an employee of a federal, state State, or local
21	government agency, or an employee of a housing finance agency, who acts as a
22	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.

3	(5) A licensed attorney who negotiates the terms of a residential
4	mortgage loan on behalf of a client as an ancillary matter to the attorney's
5	representation of the client, unless the attorney is compensated by a lender, a
6	mortgage broker, or other mortgage loan originator or by any agent of such
7	lender, mortgage broker, or other mortgage loan originator. To the extent an
8	attorney licensed in this State undertakes activities that are covered by the
9	definition of a mortgage loan originator, such activities do not constitute
10	engaging in the business of a mortgage loan originator, provided that:
11	(A) such activities are considered by the State governing body
12	responsible for regulating the practice of law to be part of the authorized
13	practice of law within this State;
14	(B) such activities are carried out within an attorney-client
15	relationship; and
16	(C) the attorney carries them out in compliance with all applicable
17	laws, rules, ethics, and standards.
18	(6) A person who makes no more than three mortgage loans in any
19	consecutive three-year period beginning on or after July 1, 2011.
20	(f) If a person who offers or negotiates the terms of a mortgage loan is
21	exempt from licensure pursuant to subdivision (d)(16) or (e)(6) of this section,

1	there is a rebuttable presumption that he or she is not engaged in the business
2	of making loans or being a mortgage loan originator.
3	(g) Independent contractor loan processors or underwriters. A loan
4	processor or underwriter who is an independent contractor may not engage in
5	the activities of a loan processor or underwriter unless such independent
6	contractor loan processor or underwriter obtains and maintains a mortgage loan
7	originator license. Each independent contractor loan processor or underwriter
8	licensed as a mortgage loan originator must have and maintain a valid unique
9	identifier issued by the Nationwide Mortgage Licensing System and Registry.
10	(g)(h) This chapter shall not apply to commercial loans of \$1,000,000.00 or
11	more.
12	* * * Vermont State Treasurer; Credit Facilities; 10 Percent for Vermont * * *
13	Sec. 22. 2013 Acts and Resolves No. 87, Sec. 8 is amended to read:
14	Sec. 8. INVESTMENT OF STATE MONIES
15	The Treasurer is hereby authorized to establish a short-term credit facility
16	for the benefit of the Vermont Economic Development Authority in an amount
17	of up to \$10,000,000.00.
18	Sec. 23. VERMONT STATE TREASURER; CREDIT FACILITY FOR
19	LOCAL INVESTMENTS
20	(a) Notwithstanding any other provision of law to the contrary, the
21	Vermont State Treasurer shall have the authority to establish a credit facility of
22	up to 10 percent of the State's average cash balance on terms acceptable to the

1	Treasurer consistent with the provisions of the Uniform Prudent Investor Act,
2	<u>14A V.S.A. chapter 9.</u>
3	(b) The amount authorized in subsection (a) of this section shall include all
4	credit facilities authorized by the General Assembly and established by the
5	Treasurer prior to or subsequent to the effective date of this section, and the
6	renewal or replacement of those credit facilities.
7	Sec. 24. TREASURER'S LOCAL INVESTMENT ADVISORY
8	COMMITTEE; REPORT
9	(a) Creation of committee. The Treasurer's Local Investment Advisory
10	Committee is established to advise the Treasurer on funding priorities and
11	address other mechanisms to increase local investment.
12	(b) Membership.
13	(1) The Advisory Committee shall be composed of six members as
14	<u>follows:</u>
15	(A) the State Treasurer or designee;
16	(B) the Chief Executive Officer of the Vermont Economic
17	Development Authority or designee;
18	(C) the Chief Executive Officer of the Vermont Student Assistance
19	Corporation or designee;
20	(D) the Executive Director of the Vermont Housing Finance Agency
21	or designee;
22	(E) the Director of the Municipal Bond Bank or designee; and

1	(F) the Director of Efficiency Vermont or designee.
2	(2) The State Treasurer shall be the Chair of the Advisory Committee
3	and shall appoint a vice chair and secretary. The appointed members of the
4	Advisory Committee shall be appointed for terms of six years and shall serve
5	until their successors are appointed and qualified.
6	(c) Powers and duties. The Advisory Committee shall:
7	(1) meet regularly to review and make recommendations to the State
8	Treasurer on funding priorities and using other mechanisms to increase local
9	investment in the State of Vermont;
10	(2) invite regularly State organizations, citizens groups, and members of
11	the public to Advisory Committee meetings to present information on needs
12	for local investment, capital gaps, and proposals for financing; and
13	(3) consult with constituents and review feedback on changes and needs
14	in the local and State investment and financing environments.
15	(d) Meetings.
16	(1) Meetings of the Advisory Committee shall occur at the call of the
17	Treasurer.
18	(2) A majority of the members of the Advisory Committee who are
19	physically present at the same location or available electronically shall
20	constitute a quorum, and a member may participate and vote electronically.
21	(3) To be effective, action of the Advisory Committee shall be taken by
22	majority vote of the members at a meeting in which a quorum is present.

1	(e) Report. On or before January 15, 2015, and annually thereafter, the
2	Advisory Committee shall submit a report to the Senate Committees on
3	Appropriations, on Economic Development, Housing and General Affairs, on
4	Finance, and on Government Operations and the House Committees on
5	Appropriations, on Commerce and Economic Development, on Ways and
6	Means, and on Government Operations. The report shall include the
7	following:
8	(1) the amount of the subsidies associated with lending through each
9	credit facility authorized by the General Assembly and established by the
10	Treasurer;
11	(2) a description of the Advisory Committee's activities; and
12	(3) any information gathered by the Advisory Committee on the State's
13	unmet capital needs, and other opportunities for State support for local
14	investment and the community.
15	Sec. 25. SUNSET
16	Secs. 23–24 of this act shall be repealed on July 1, 2015.
17	Sec. 26. 9 V.S.A. § 2481w is amended to read:
18	§ 2481w. UNLICENSED LOAN TRANSACTIONS
19	(a) In this subchapter:
20	(1) "Financial account" means a checking, savings, share, stored value,
21	prepaid, payroll card, or other depository account.

1	(2) "Lender" means a person engaged in the business of making loans of
2	money, credit, goods, or things in action and charging, contracting for, or
3	receiving on any such loan interest, a finance charge, a discount, or
4	consideration.
5	(3) "Process" or "processing" includes printing a check, draft, or other
6	form of negotiable instrument drawn on or debited against a consumer's
7	financial account, formatting or transferring data for use in connection with the
8	debiting of a consumer's financial account by means of such an instrument or
9	an electronic funds transfer, or arranging for such services to be provided to a
10	lender.
11	(4) "Processor" means a person who engages in processing, as defined
12	in subdivision (3) of this subsection. In this section, "processor" does not
13	include an interbank clearinghouse.
14	(5) "Interbank clearinghouse" means a person that operates an exchange
15	of automated clearinghouse items, checks, or check images solely between
16	insured depository institutions.
17	(b) It is an unfair and deceptive act and practice in commerce for a lender
18	directly or through an agent to solicit or make a loan to a consumer by any
19	means unless the lender is in compliance with all provisions of 8 V.S.A.
20	chapter 73 or is otherwise exempt from the requirements of 8 V.S.A.
21	chapter 73.

1	(c) It is an unfair and deceptive act and practice in commerce for a
2	processor, other than a federally insured depository institution, to process a
3	check, draft, other form of negotiable instrument, or an electronic funds
4	transfer from a consumer's financial account in connection with a loan
5	solicited or made by any means to a consumer unless the lender is in
6	compliance with all provisions of 8 V.S.A. chapter 73 or is otherwise exempt
7	from the requirements of 8 V.S.A. chapter 73.
8	(d) It is an unfair and deceptive act and practice in commerce for any
9	person, including the lender's financial institution as defined in 8 V.S.A.
10	§ 10202(5), but not including the consumer's financial institution as defined in
11	8 V.S.A. § 10202(5) or an interbank clearinghouse as defined in subsection (a)
12	of this section, to provide substantial assistance to a lender or processor when
13	the person or the person's authorized agent receives notice from a regulatory,
14	law enforcement, or similar governmental authority, or knows from its normal
15	monitoring and compliance systems, or consciously avoids knowing that the
16	lender or processor is in violation of subsection (b) or (c) of this section, or is
17	engaging in an unfair or deceptive act or practice in commerce.
18	Secs. 27-33. RESERVED
19	Sec. 34. JFO ACCD DEMOGRAPHIC STUDY
20	The Agency of Commerce and Community Development, with consultation
21	and review by the legislative economist and the Joint Fiscal Office, shall
22	conduct an economic impact analysis, including study of demographic and

1	infrastructure impacts associated with recently announced development
2	projects in the Northeast Kingdom of Vermont, and shall submit its findings to
3	the House Committee on Commerce and Economic Development, the Senate
4	Committee on Economic Development, Housing and General Affairs, and the
5	Joint Fiscal Committee on or before December 1, 2014.
6	* * * Tourism Funding; Study * * *
7	Sec. 35. TOURISM FUNDING; PILOT PROJECT STUDY
8	On or before January 15, 2015, the Secretary of Commerce and Community
9	Development shall submit to the House Committees on Appropriations and on
10	Commerce and Economic Development and the Senate Committees on
11	Appropriations and on Economic Development, Housing and General Affairs a
12	report that analyzes the results of the performance-based funding pilot project
13	for the Department of Tourism and Marketing and recommends appropriate
14	legislative or administrative changes to the funding mechanism for tourism and
15	marketing programs.
16	* * * Land Use; Housing; Industrial Development * * *
17	Sec. 36. 10 V.S.A. chapter 12 is amended to read:
18	CHAPTER 12. VERMONT ECONOMIC DEVELOPMENT AUTHORITY
19	* * *
20	§ 212. DEFINITIONS
21	As used in this chapter:
22	* * *

1	(6) "Eligible facility" or "eligible project" means any industrial,
2	commercial, or agricultural enterprise or endeavor approved by the authority
3	that meets the criteria established in the Vermont Sustainable Jobs Strategy
4	adopted by the Governor under section 280b of this title, including land and
5	rights in land, air, or water, buildings, structures, machinery, and equipment of
6	such eligible facilities or eligible projects, except that an eligible facility or
7	project shall not include the portion of an enterprise or endeavor relating to the
8	sale of goods at retail where such goods are manufactured primarily out of
9	state, and except further that an eligible facility or project shall not include the
10	portion of an enterprise or endeavor relating to housing. Such enterprises or
11	endeavors may include:
12	* * *
13	(M) Sustainably Priced Energy Enterprise Development (SPEED)
14	resources, as defined in 30 V.S.A. § 8002; or
15	(N) any combination of the foregoing activities, uses, or purposes.
16	An eligible facility may include structures, appurtenances incidental to the
17	foregoing such as utility lines, storage accommodations, offices, dependent
18	care facilities, or transportation facilities; or
19	(O) industrial park planning, development, or improvement.
20	* * *

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1	§ 261. ADDITIONAL POWERS	
2	In addition to powers enumerated elsewhere in this chapter, the	he
3	authority may:	
4	* * *	
5	(6) provide loans and assistance under this subchapter for	the planning,
6	development, or improvement of an industrial park or an eligible	e project within
7	an industrial park.	
8	Sec. 37. 10 V.S.A. § 6001(35) is added to read:	
9	(35) "Industrial park" means an area of land permitted un	der this chapter
10	that is planned, designed, and zoned as a location for one or mor	e industrial
11	buildings, that includes adequate access roads, utilities, water, se	ewer, and other
12	services necessary for the uses of the industrial buildings, and in	cludes no
13	retail use except that which is incidental to an industrial use, and	no office use
14	except that which is incidental or secondary to an industrial use.	
15	Sec. 38. REVIEW OF MASTER PLAN POLICY	
16	On or before January 1, 2015, the Natural Resources Board sl	hall review its
17	master plan policy and commence the policy's adoption as a rule	e. The
18	proposed rule shall include provisions for efficient master plan p	permitting and
19	master plan permit amendments for industrial parks. The Board	shall consult
20	with affected parties when developing the proposed rule.	
21	* * * Primary Agricultural Soils; Industrial Parks *	* *
22	Sec. 39. 10 V.S.A. § 6093(a)(4) is amended to read:	

1	(4)	Indus
	()	

(4) Industrial parks.

2	(A) Notwithstanding any provision of this chapter to the contrary, a
3	conversion of primary agricultural soils located in an industrial park-as defined
4	in subdivision 212(7) of this title and permitted under this chapter and in
5	existence as of January 1, 2006, shall be allowed to pay a mitigation fee
6	computed according to the provisions of subdivision (1) of this subsection,
7	except that it shall be entitled to a ratio of 1:1, protected acres to acres of
8	affected primary agricultural soil. If an industrial park is developed to the
9	fullest extent before any expansion, this ratio shall apply to any contiguous
10	expansion of such an industrial park that totals no more than 25 percent of the
11	area of the park or no more than 10 acres, whichever is larger; provided any
12	expansion based on percentage does not exceed 50 acres. Any expansion
13	larger than that described in this subdivision shall be subject to the mitigation
14	provisions of this subsection at ratios that depend upon the location of the
15	expansion.
16	(B) In any application to a district commission for expansion of
17	District Commission to amend a permit for an existing industrial park, compact
18	development patterns shall be encouraged that assure the most efficient and
19	full use of land and the realization of maximum economic development
20	potential through appropriate densities shall be allowed consistent with all
21	applicable criteria of subsection 6086(a) of this title. Industrial park
22	expansions and industrial park infill shall not be subject to requirements

1	established in subdivision 6086(a)(9)(B)(iii) of this title, nor to requirements
2	established in subdivision 6086(a)(9)(C)(iii).
3	Sec. 40. RESERVED
4	* * * Workforce Education and Training * * *
5	Sec. 41. 10 V.S.A. chapter 22A is amended to read:
6	CHAPTER 22A. WORKFORCE EDUCATION AND TRAINING
7	§ 540. WORKFORCE EDUCATION AND TRAINING LEADER
8	The Commissioner of Labor shall be the leader of workforce education and
9	training in the State, and shall have the authority and responsibility for the
10	coordination of workforce education and training within State government,
11	including the following duties:
12	(1) perform the following duties in consultation with the State
13	Workforce Investment Board:
14	(A) advise the Governor on the establishment of an integrated system
15	of workforce education and training for Vermont;
16	(B) create and maintain an inventory of all existing workforce
17	education and training programs and activities in the State;
18	(C) use data to ensure that State workforce education and training
19	activities are aligned with the needs of the available workforce, the current and
20	future job opportunities in the State, and the specific credentials needed to
21	achieve employment in those jobs;

 workforce education and training programs and activities in the State serve Vermont citizens and businesses to the maximum extent possible; (E) ensure coordination and non-duplication of workforce education and training activities; (F) identify best practices and gaps in the delivery of workforce education and training programs; (G) design and implement criteria and performance measures for workforce education and training activities; and (H) establish goals for the integrated workforce education and training system. (2) Require from each business, training provider, or program that 	<u>)n</u>
4 (E) ensure coordination and non-duplication of workforce education 5 and training activities; 6 (F) identify best practices and gaps in the delivery of workforce 7 education and training programs; 8 (G) design and implement criteria and performance measures for 9 workforce education and training activities; and 10 (H) establish goals for the integrated workforce education and 11 training system.	<u>on</u>
 5 and training activities; 6 (F) identify best practices and gaps in the delivery of workforce 7 education and training programs; 8 (G) design and implement criteria and performance measures for 9 workforce education and training activities; and 10 (H) establish goals for the integrated workforce education and 11 training system. 	<u>on</u>
 6 (F) identify best practices and gaps in the delivery of workforce 7 education and training programs; 8 (G) design and implement criteria and performance measures for 9 workforce education and training activities; and 10 (H) establish goals for the integrated workforce education and 11 training system. 	
 7 education and training programs; 8 (G) design and implement criteria and performance measures for 9 workforce education and training activities; and 10 (H) establish goals for the integrated workforce education and 11 training system. 	
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 9 workforce education and training activities; and 10 (H) establish goals for the integrated workforce education and 11 training system. 	
10 (H) establish goals for the integrated workforce education and 11 training system.	
11 <u>training system.</u>	
12 (2) Require from each business, training provider, or program that	
13 receives State funding to conduct workforce education and training a report	
14 <u>that evaluates the results of the training</u> . Each recipient shall submit its repo	<u>rt</u>
15 on a schedule determined by the Commissioner and shall include at least the	<u>}</u>
16 <u>following information:</u>	
17 (A) name of the person who receives funding:	
18 (B) amount of funding:	
19 (C) activities and training provided;	
20 (D) number of trainees and their general description;	
21 (E) employment status of trainees; and	
22 (F) future needs for resources.	

1	(3) Review reports submitted by each recipient of workforce education
2	and training funding.
3	(4) Issue an annual report to the Governor and the General Assembly on
4	or before December 1 that includes a systematic evaluation of the
5	accomplishments of the State workforce investment system and the
6	performance of participating agencies and institutions.
7	(5) Coordinate public and private workforce programs to assure that
8	information is easily accessible to students, employees, and employers, and
9	that all information and necessary counseling is available through one contact.
10	(6) Facilitate effective communication between the business community
11	and public and private educational institutions.
12	(7) Notwithstanding any provision of State law to the contrary, and to
13	the fullest extent allowed under federal law, the Commissioner shall ensure
14	that in each State and State-funded workforce education and training program,
15	the program administrator collects and reports data and outcomes at the
16	individual level by Social Security Number or equivalent.
17	§ 541. WORKFORCE DEVELOPMENT COUNCIL; STATE WORKFORCE
18	INVESTMENT BOARD; MEMBERS, TERMS
19	(a) The Workforce education and training Council is created as the
20	successor to and the continuation of the Governor's Human Resources
21	Investment Council and shall be the State Workforce Investment Board under
22	Public Law 105-220, the Workforce Investment Act of 1998, and any

1	reauthorization of that act. The Council shall consist of the members required
2	under the federal act and the following: the President of the University of
3	Vermont or designee; the Chancellor of the Vermont State Colleges or
4	designee; the President of the Vermont Student Assistance corporation or
5	designee; the President of the Association of Vermont Independent Colleges or
6	designee; a representative of the Abenaki Self Help Organization; at least two
7	representatives of labor appointed by the Governor in addition to the two
8	required under the federal act, who shall be chosen from a list of names
9	submitted by Vermont AFL-CIO, Vermont NEA, and the Vermont State
10	Employees Association; one representative of the low income community
11	appointed by the Governor; two members of the Senate appointed by the
12	Senate Committee on Committees; and two members of the house appointed
13	by the speaker. In addition, the Governor shall appoint enough other members
14	who are representatives of business or employers so that one half plus one of
15	the members of the council are representatives of business or employers. At
16	least one third of those appointed by the Governor as representatives of
17	business or employers shall be chosen from a list of names submitted by the
18	regional technical centers. As used in this section, "representative of business"
19	means a business owner, a chief executive operating officer, or other business
20	executive, and "employer" means an individual with policy-making or hiring
21	authority, including a public school superintendent or school board member
22	and representatives from the nonprofit, social services, and health sectors of

1	the economy. If there is a dispute as to who is to represent an interest as
2	required under the federal law, the Governor shall decide who shall be the
3	member of the Council.
4	(b) Appointed members, except legislative appointees, shall be appointed
5	for three-year terms and serve at the pleasure of the Governor.
6	(c) A vacancy shall be filled for the unexpired term in the same manner as
7	the initial appointment.
8	(d) The Governor shall appoint one of the business or employer members
9	to chair the council for a term of two years. A member shall not serve more
10	than three consecutive terms as chair.
11	(e) Legislative members shall be entitled to compensation and expenses as
12	provided in 2 V.S.A. § 406, and other members shall be entitled to
13	compensation and expenses as provided in 32 V.S.A. § 1010.
14	(f) The Department of Labor shall provide the Council with administrative
15	support.
16	(g) The Workforce education and training Council shall be subject to
17	1 V.S.A. chapter 5, subchapters 2 and 3, relating to public meetings and access
18	to public records.
19	(h) [Repealed.]
20	(i) The Workforce education and training Council shall:
21	(1) Advise the Governor on the establishment of an integrated network
22	of workforce education and training for Vermont.

1	(2) Coordinate planning and services for an integrated network of
2	workforce education and training and oversee its implementation at State and
3	regional levels.
4	(3) Establish goals for and coordinate the State's workforce education
5	and training policies.
6	(4) Speak for the workforce needs of employers.
7	(5) Negotiate memoranda of understanding between the Council and
8	agencies and institutions involved in Vermont's integrated network of
9	workforce education and training in order to ensure that each is working to
10	achieve annual objectives developed by the Council.
11	(6) Carry out the duties assigned to the State Workforce Investment
12	Board, as required for a single-service delivery state, under P.L. 105-220, the
13	Workforce Investment Act of 1998, and any amendments that may be made to
14	it. [Repealed.]
15	<u>§ 541a. STATE WORKFORCE INVESTMENT BOARD</u>
16	(a) Board established; duties. Pursuant to the requirements of 29 U.S.C.
17	§ 2821, the Governor shall establish a State Workforce Investment Board to
18	assist the Governor in the execution of his or her duties under the Workforce
19	Investment Act of 1998 and to assist the Commissioner of Labor as specified
20	in section 540 of this title.

1	(b) Additional duties; planning; process. In order to inform its
2	decision-making and to provide effective assistance under subsection (a) of
3	this section, the Board shall:
4	(1) conduct an ongoing public engagement process throughout the State
5	that brings together employers and potential employees, including students, the
6	unemployed, and incumbent employees seeking further training, to provide
7	feedback and information concerning their workforce education and training
8	needs; and
9	(2) maintain familiarity with the federal Comprehensive Economic
10	Development Strategy (CEDS) and other economic development planning
11	processes, and coordinate workforce and education activities in the State,
12	including the development and implementation of the state plan required under
13	the Workforce Investment Act of 1998, with economic development planning
14	processes occurring in the State, as appropriate.
15	(c) Membership. The Board shall consist of the Governor and the
16	following members who are appointed by the Governor and serve at his or her
17	pleasure, unless otherwise indicated:
18	(1) two Members of the Vermont House of Representatives appointed
19	by the Speaker of the House;
20	(2) two Members of the Vermont Senate appointed by the Senate
21	Committee on Committees;
22	(3) the President of the University of Vermont or designee;

1	(4) the Chancellor of the Vermont State Colleges or designee;
2	(5) the President of the Vermont Student Assistance Corporation or
3	designee;
4	(6) a representative of an independent Vermont college or university;
5	(7) the Secretary of Education or designee;
6	(8) a director of a regional technical center;
7	(9) a principal of a Vermont high school;
8	(10) two representatives of labor organizations who have been
9	nominated by State labor federations;
10	(11) two representatives of individuals and organizations who have
11	experience with respect to youth activities, as defined in 29 U.S.C. § 2801(52);
12	(12) two representatives of individuals and organizations who have
13	experience in the delivery of workforce investment activities, as defined in
14	<u>29 U.S.C. § 2801(51);</u>
15	(13) the lead State agency officials with responsibility for the programs
16	and activities carried out by one-stop partners, as described in 29 U.S.C.
17	§ 2841(b), or if no official has that responsibility, a representative in the State
18	with expertise relating to these programs and activities;
19	(14) the Commissioner of Economic Development;
20	(15) the Commissioner of Labor;
21	(16) the Secretary of Human Services or designee;

1	(17) two individuals who have experience in, and can speak for, the
2	training needs of underemployed and unemployed Vermonters; and
3	(18) a number of appointees sufficient to constitute a majority of the
4	Board who:
5	(A) are owners, chief executives, or operating officers of businesses,
6	and other business executives or employers with optimum policymaking or
7	hiring authority:
8	(B) represent businesses with employment opportunities that reflect
9	the employment opportunities of the State; and
10	(C) are appointed from among individuals nominated by State
11	business organizations and business trade associations.
12	(d) Operation of Board.
13	(1) Member representation.
14	(A) Members of the State Board who represent organizations,
15	agencies, or other entities shall be individuals with optimum policymaking
16	authority within the organizations, agencies, or entities.
17	(B) The members of the Board shall represent diverse regions of the
18	State, including urban, rural, and suburban areas.
19	(2) Chair. The Governor shall select a chair for the Board from among
20	the business representatives appointed pursuant to subdivision (c)(18) of this
21	section.

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1	(3) Meetings. The Board shall meet at least three times annually and
2	shall hold additional meetings upon call of the Chair.
3	(4) Work groups; task forces. The Chair, in consultation with the
4	Commissioner of Labor, may:
5	(A) assign one or more members to work groups to carry out the
6	work of the Board; and
7	(B) appoint one or more members of the Board, or nonmembers of
8	the Board, or both, to one or more task forces for a discrete purpose and
9	duration.
10	(5) Quorum; meetings; voting.
11	(A) A majority of the sitting members of the Board shall constitute a
12	quorum, and to be valid any action taken by the Board shall be authorized by a
13	majority of the members present and voting at any regular or special meeting at
14	which a quorum is present.
15	(B) The Board may permit one or more members to participate in a
16	regular or special meeting by, or conduct the meeting through the use of, any
17	means of communication, including an electronic, telecommunications, and
18	video- or audio-conferencing conference telephone call, by which all members
19	participating may simultaneously or sequentially communicate with each other
20	during the meeting. A member participating in a meeting by this means is
21	deemed to be present in person at the meeting.

1	(C) The Board shall deliver electronically the minutes for each of its
2	meetings to each member of the Board and to the Chairs of the House
3	Committees on Education and on Commerce and Economic Development, and
4	to the Senate Committees on Education and on Economic Development,
5	Housing and General Affairs.
6	(6) Reimbursement.
7	(A) Legislative members of the Board shall be entitled to
8	compensation and expenses as provided in 2 V.S.A. § 406.
9	(B) Unless otherwise compensated by his or her employer for
10	performance of his or her duties on the Board, a nonlegislative member of the
11	Board shall be eligible for per diem compensation of \$50.00 per day for
12	attendance at a meeting of the Board, and for reimbursement of his or her
13	necessary expenses, which shall be paid by the Department of Labor solely
14	from funds available for that purpose under the Workforce Investment Act
15	<u>of 1998.</u>
16	(7) Conflict of interest. A member of the Board shall not:
17	(A) vote on a matter under consideration by the Board:
18	(i) regarding the provision of services by the member, or by an
19	entity that the member represents; or
20	(ii) that would provide direct financial benefit to the member or
21	the immediate family of the member; or

1	(B) engage in any activity that the Governor determines constitutes a
2	conflict of interest as specified in the State Plan required under 29 U.S.C.
3	<u>§ 2822.</u>
4	(8) Sunshine provision. The Board shall make available to the public,
5	on a regular basis through open meetings, information regarding the activities
6	of the Board, including information regarding the State Plan adopted
7	pursuant to 29 U.S.C. § 2822 and prior to submission of the State Plan to the
8	U.S. Secretary of Labor, information regarding membership, and, on request,
9	minutes of formal meetings of the Board.
10	§ 541b. WORKFORCE EDUCATION AND TRAINING; DUTIES OF
11	OTHER STATE AGENCIES, DEPARTMENTS, AND PRIVATE
12	PARTNERS
13	(a) To ensure the Workforce Investment Board and the Commissioner of
14	Labor are able to fully perform their duties under this chapter, each agency and
15	department within State government, and each person who receives funding
16	from the State, shall comply within a reasonable period of time with a request
17	for data and information made by the Board or the Commissioner in
18	furtherance of their duties under this chapter.
19	(b) The Agency of Commerce and Community Development shall
20	coordinate its work in adopting a statewide economic development plan with
21	the activities of the Board and the Commissioner of Labor, including the

1	development and implementation of the state plan for workforce education and
2	training required under the Workforce Investment Act of 1998.
3	§ 542. REGIONAL WORKFORCE DEVELOPMENT EDUCATION AND
4	TRAINING
5	(a) The Commissioner of Labor, in coordination with the Secretary of
6	Commerce and Community Development, and in consultation with the
7	Workforce education and training Council Investment Board, is authorized to
8	issue performance grants to one or more persons to perform workforce
9	education and training activities in a region.
10	(b) Each grant shall specify the scope of the workforce education and
11	training activities to be performed and the geographic region to be served, and
12	shall include outcomes and measures to evaluate the grantee's performance.
13	(c) The Commissioner of Labor and the Secretary of Commerce and
14	Community Development shall jointly develop a grant process and eligibility
15	criteria, as well as an outreach process for notifying potential participants of
16	the grant program. The Commissioner of Labor shall have final authority to
17	approve each grant.
18	§ 543. WORKFORCE EDUCATION AND TRAINING FUND; GRANT
19	PROGRAMS
20	(a) Creation. There is created a Workforce Education and Training Fund in
21	the department of labor Department of Labor to be managed in accordance
22	with 32 V.S.A. chapter 7, subchapter 5.

1	(b) Purposes. The Fund shall be used exclusively for the following two
2	purposes:
3	(1) training to improve the skills of for Vermont workers, including
4	those who are unemployed, underemployed, or in transition from one job or
5	career to another; and
6	(2) internships to provide students with work-based learning
7	opportunities with Vermont employers; and
8	(3) apprenticeship-related instruction.
9	(c) Administrative Support. Administrative support for the grant award
10	process shall be provided by the Departments <u>Department</u> of Labor and of
11	Economic Development. Technical, administrative, financial, and other
12	support shall be provided whenever appropriate and reasonable by the
13	Workforce Development Council Investment Board and all other public
14	entities involved in Economic Development, workforce development and
15	training, and education economic development and workforce education and
16	training.
17	(d) Eligible Activities. Awards from the Fund shall be made to employers
18	and entities that offer programs that require collaboration between employees
19	and businesses, including private, public, and nonprofit entities, institutions of
20	higher education, high schools, technical centers, and workforce education and
21	training programs. Funding shall be for training programs and student
22	internship programs that offer education, training, apprenticeship, mentoring,

1	or work-based learning activities, or any combination; that employ innovative
2	intensive student-oriented competency-based or collaborative approaches to
3	workforce education and training; and that link workforce education and
4	economic development strategies. Training programs or projects that
5	demonstrate actual increased income and economic opportunity for employees
6	and employers may be funded for more than one year. Student internships and
7	training programs that involve the same employer may be funded multiple
8	times, provided that new students participate.
9	(e) Award Criteria and Process. The Workforce education and training
10	Council, in consultation with the Commissioners of Labor and of Economic
11	Development and the Secretary of Education, shall develop criteria consistent
12	with subsection (d) of this section for making awards under this section. The
13	Commissioners of Labor and of Economic Development and the Secretary of
14	Education, shall develop a process for making awards. [Repealed].
15	(f) Awards. Based on guidelines set by the council, the The Commissioner
16	of labor, and the Secretary of Education Labor, in consultation with the
17	Workforce Investment Board, shall jointly develop award criteria and may
18	make awards to the following:
19	(1) Training Programs.
20	(A) Public, private, and nonprofit entities for existing or new
21	innovative training programs. Awards may be made to programs that retrain
22	incumbent workers that enhance the skills of Vermont workers and:

1	(i) train workers for trades or occupations that are expected to lead
2	to jobs paying at least 200 percent of the current minimum wage or at least
3	150 percent if benefits are included; this requirement may be waived when
4	warranted based on regional or occupational wages or economic reality;
5	(ii) do not duplicate, supplant, or replace other available programs
6	funded with public money;
7	(iii) articulate clear goals and demonstrate readily accountable,
8	reportable, and measurable results; and
9	(iv) demonstrate an integrated connection between training and
10	specific new or continuing employment opportunities.
11	(B) Awards under this subdivision shall be made to programs or
12	projects that do all the following:
13	(A)(i) offer innovative programs of intensive, student-centric,
14	competency-based education, training, apprenticeship, mentoring, or any
15	combination of these;
16	(B)(ii) address the needs of workers who are unemployed,
17	underemployed, or are at risk of becoming unemployed due to changing
18	workplace demands by increasing productivity and developing new skills for
19	incumbent workers; or
20	(iii) in the discretion of the Commissioner, otherwise serve the
21	purposes of this chapter.

1	(C) train workers for trades or occupations that are expected to lead
2	to jobs paying at least 200 percent of the current minimum wage or at least 150
3	percent if benefits are included; this requirement may be waived when
4	warranted based on regional or occupational wages or economic reality;
5	(D) do not duplicate, supplant, or replace other available programs
6	funded with public money;
7	(E) articulate clear goals and demonstrate readily accountable,
8	reportable, and measurable results;
9	(F) demonstrate an integrated connection between training and
10	specific employment opportunities, including an effort and consideration by
11	participating employers to hire those who successfully complete a training
12	program; and
13	(2) Vermont Career Internship Program. Funding for eligible internship
14	programs and activities under the Vermont Career Internship Program
15	established in section 544 of this title.
16	(3) Apprenticeship Program. The Vermont Apprenticeship Program
17	established under 21 V.S.A. chapter 13. Awards under this subdivision may be
18	used to fund the cost of apprenticeship-related instruction provided by the
19	Department of Labor.
20	(g) [Repealed.]
21	§ 544. VERMONT CAREER INTERNSHIP PROGRAM

1	(a)(1) The Department of Labor, in consultation with the Agency of
2	Education, shall develop and implement a statewide Vermont Career
3	Internship Program for Vermonters who are in high school or in college and
4	for those who are recent graduates of 24 months or less.
5	(2) The Department of Labor shall coordinate and provide funding to
6	public and private entities for internship programs that match Vermont
7	employers with students from public and private secondary schools, regional
8	technical centers, the Community High School of Vermont, colleges, and
9	recent graduates of 24 months or less.
10	(3) Funding awarded through the Vermont Career Internship Program
11	may be used to administer an internship program and to provide participants
12	with a stipend during the internship, based on need. Funds may be made only
13	to programs or projects that do all the following:
14	(A) do not replace or supplant existing positions;
15	(B) create real workplace expectations and consequences;
16	(C) provide a process that measures progress toward mastery of
17	skills, attitude, behavior, and sense of responsibility required for success in that
18	workplace;
19	(D) are designed to motivate and educate secondary and
20	postsecondary students and recent graduates through work-based learning
21	opportunities with Vermont employers that are likely to lead to real
22	employment;

1	(E) include mechanisms that promote employer involvement with
2	secondary and postsecondary students and curriculum and the delivery of
3	education at the participating schools; and
4	(F) offer participants a continuum of learning, experience, and
5	relationships with employers that will make it financially possible and
6	attractive for graduates to continue to work and live in Vermont.
7	(4) For the purposes of <u>As used in</u> this section, "internship" means a
8	learning experience working with an employer where the intern may, but does
9	not necessarily, receive academic credit, financial remuneration, a stipend, or
10	any combination of these.
11	(b) The Department of Labor, in collaboration with the Agencies of
12	Agriculture, Food and Markets and of Education, state-funded State-funded
13	postsecondary educational institutions, the Workforce Development Council
14	Investment Board, and other state State agencies and departments that have
15	workforce education and training and training monies, shall:
16	(1) identify new and existing funding sources that may be allocated to
17	the Vermont Career Internship Program;
18	(2) collect data and establish program goals and quantifiable
19	performance measures for internship programs funded through the Vermont
20	Career Internship Program;
21	(3) develop or enhance a website that will connect students and
22	graduates with internship opportunities with Vermont employers;

1	(4) engage appropriate agencies and departments of the State in the
2	Internship Program to expand internship opportunities with State government
3	and with entities awarded State contracts; and
4	(5) work with other public and private entities to develop and enhance
5	internship programs, opportunities, and activities throughout the State.
6	Sec. 42. 10 V.S.A. chapter 22 is amended to read:
7	CHAPTER 22. EMPLOYMENT THE VERMONT
8	TRAINING PROGRAM
9	§ 531. EMPLOYMENT THE VERMONT TRAINING PROGRAM
10	(a)(1) The Secretary of Commerce and Community Development may, in
11	consultation with the Workforce Investment Board, shall have the authority to
12	design and implement a Vermont Training Program, the purpose of which shall
13	be to issue performance-based grants to any employer, consortium of
14	employers, or providers of training, either individuals or organizations, as
15	necessary, to conduct training under the following circumstances: to
16	employers and to education and training providers to increase employment
17	opportunities in Vermont consistent with this chapter.
18	(2) The Secretary shall structure the Vermont Training Program to serve
19	as a flexible, nimble, and strategic resource for Vermont businesses and
20	workers across all sectors of the economy.
21	(1) when issuing grants to an employer or consortium of employers, the
22	employer promises as a condition of the grant to where eligible facility is

1	defined as in subdivision 212(6) of this title relating to the Vermont Economic
2	Development Authority, or the employer or consortium of employers promises
3	to open an eligible facility within the State which will employ persons,
4	provided that for the purposes of this section, eligible facility may be broadly
5	interpreted to include employers in sectors other than manufacturing; and
6	(2) training is required for potential employees, new employees, or long-
7	standing employees in the methods, either singularly or in combination relating
8	to pre-employment training, on-the-job training, upgrade training, and
9	crossover training, or specialized instruction, either in plant or through a
10	training provider.
11	(b) Eligibility for grant. The Secretary of Commerce and Community
12	Development may award a grant to an employer if:
12 13	Development may award a grant to an employer if: (1) the employer's new or expanded initiative will enhance employment
13	(1) the employer's new or expanded initiative will enhance employment
13 14	(1) the employer's new or expanded initiative will enhance employment opportunities for Vermont residents; the training is for preemployment, new
13 14 15	 (1) the employer's new or expanded initiative will enhance employment opportunities for Vermont residents; the training is for preemployment, new employees, or incumbent employees in the methods, either singularly or in
13 14 15 16	(1) the employer's new or expanded initiative will enhance employment opportunities for Vermont residents; the training is for preemployment, new employees, or incumbent employees in the methods, either singularly or in combination, relating to preemployment training, on-the-job training, upgrade
13 14 15 16 17	(1) the employer's new or expanded initiative will enhance employment opportunities for Vermont residents; the training is for preemployment, new employees, or incumbent employees in the methods, either singularly or in combination, relating to preemployment training, on-the-job training, upgrade training, crossover training, or specialized instruction, either on-site or through
13 14 15 16 17 18	(1) the employer's new or expanded initiative will enhance employment opportunities for Vermont residents; the training is for preemployment, new employees, or incumbent employees in the methods, either singularly or in combination, relating to preemployment training, on-the-job training, upgrade training, crossover training, or specialized instruction, either on-site or through a training provider;
13 14 15 16 17 18 19	 (1) the employer's new or expanded initiative will enhance employment opportunities for Vermont residents; the training is for preemployment, new employees, or incumbent employees in the methods, either singularly or in combination, relating to preemployment training, on-the-job training, upgrade training, crossover training, or specialized instruction, either on-site or through a training provider; (2) the employer provides its employees with at least three of the

(B) dental assistance;
(C) paid vacation and;
(D) paid holidays;
(D) (<u>E)</u> child care;
(E)(F) other extraordinary employee benefits;
(F)(G) retirement benefits; and
(H) other paid time off, including paid sick days;
) the training is directly related to the employment responsibilities of
nee; and
) compensation for each trainee at the completion of the training
n equals or exceeds the livable wage as defined in 2 V.S.A. § 505,

7	(H)	other	paid	time	off,	including	paid	sick	days;
=			_			-	-		

8 (3) the training is directly related to the employment responsibilities of
--

the trainee; and 9

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10	(4) compensation for ea	ach trainee at the completion	of the training

- 11 program equals or exceeds the livable wage as defined in 2 V.S.A. § 505,
- 12 provided that the Secretary shall have the authority to modify this requirement
- 13 if he or she determines that the employer offers compensation or benefits, the
- 14 value of which exceeds the compensation and benefit assumptions in the basic
- 15 needs budget and livable wage calculated pursuant to 2 V.S.A. § 505.
- 16 (c) The employer promises as a condition of the grant to:
- 17 (1) employ new persons at a wage which, at the completion of the
- 18 training program, is two times the prevailing state or federal minimum wage,
- 19 whichever is greater, reduced by the value of any existing health benefit
- 20 package up to a limit of 30 percent of the gross program wage, or for existing
- 21 employees, to increase the wage to two times the prevailing state and federal
- 22 minimum wage, whichever is greater, reduced by the value of any existing

1	health benefit package up to a limit of 20 percent of the gross program wage,
2	upon completion of training; provided, however, that in areas defined by the
3	Secretary of Commerce and Community Development in which the Secretary
4	finds that the rate of unemployment is 50 percent greater than the average for
5	the State, the wage rate under this subsection may be set by the Secretary at a
6	rate no less than one and one half times the federal or state minimum wage,
7	whichever is greater;
8	(2) employ persons who have completed the training provided for them
9	and nominated as qualified for a reasonable period at the wages and
10	occupations described in the contract, unless the employer reasonably finds the
11	nominee is not qualified;
12	(3) provide its employees with at least three of the following:
13	(A) health care benefits with 50 percent or more of the premium paid
14	by the employer;
15	(B) dental assistance;
16	(C) paid vacation and holidays;
17	(D) child care;
18	(E) other extraordinary employee benefits; and
19	(F) retirement benefits.
20	(4) submit a customer satisfaction report to the Secretary of Commerce
21	and Community Development, on a form prepared by the Secretary for that
22	purpose, no more than 30 days from the last day of the training program.

1	In the case of a grant to a training provider, the Secretary shall require as a
2	condition of the grant that the provider shall disclose to the Secretary the name
3	of the employer and the number of employees trained prior to final payment
4	for the training.
5	(d) In order to avoid duplication of programs or services and to provide the
6	greatest return on investment from training provided under this section, the
7	Secretary of Commerce and Community Development shall:
8	(1) first consult with the Commissioner of Labor regarding whether the
9	grantee has accessed, or is eligible to access, other workforce education and
10	training resources offered by public or private workforce education and
11	training partners;
12	(2) disburse grant funds only for training hours that have been
13	successfully completed by employees; provided that a grant for on-the-job
14	training shall either provide not more than 50 percent of wages for each
15	employee in training, or not more than 50 percent of trainer expense, but not
16	both, and further provided that training shall be performed in accordance with
17	a training plan that defines the subject of the training, the number of training
18	hours, and how the effectiveness of the training will be evaluated; and
19	(3) use funds under this section only to supplement training efforts of
20	employers and not to replace or supplant training efforts of employers.
21	(e) The Secretary of Commerce and Community Development shall
22	administer all training programs under this section, may select and use

1	providers of training as appropriate, and shall adopt rules and may accept
2	services, money, or property donated for the purposes of this section. The
3	Secretary may promote awareness of, and may give priority to, training that
4	enhances critical skills, productivity, innovation, quality, or competitiveness,
5	such as training in Innovation Engineering, "Lean" systems, and ISO
6	certification for expansion into new markets. [Repealed.]
7	(f) Upon completion of the training program for any individual, the
8	secretary of Commerce and Community Development shall review the records
9	and shall award to the trainee, if appropriate, a certificate of completion for the
10	training.
11	(g) None of the criteria in subdivision (a)(1) of this section shall apply to a
12	designated job development zone under chapter 29, subchapter 2 of this title.
13	[Repealed.]
14	(h) The Secretary may designate the Commissioner of Economic
15	Development to carry out his or her powers and duties under this chapter.
16	[Repealed.]
17	(i) Program Outcomes.
18	(1) On or before September 1, 2011, the Agency of Commerce and
19	Community Development, in coordination with the department of labor, and in
20	consultation with the Workforce education and training Council and the
21	legislative Joint Fiscal Office, shall develop, to the extent appropriate, a
22	common set of benchmarks and performance measures for the training

1	program established in this section and the Workforce Education and Training
2	Fund established in section 543 of this title, and shall collect employee specific
3	data on training outcomes regarding the performance measures; provided,
4	however, that the Secretary shall redact personal identifying information from
5	such data.
6	(2) On or before January 15, 2013, the Joint Fiscal Office shall prepare a
7	performance report using the benchmarks and performance measures created
8	pursuant to subdivision (1) of this subsection. The Joint Fiscal Office shall
9	submit its report to the Senate Committee on Economic Development, Housing
10	and General Affairs and the House Committee on Commerce and Economic
11	Development.
12	(3) The Secretary shall use information gathered pursuant to this
12 13	(3) The Secretary shall use information gathered pursuant to this subsection and customer satisfaction reports submitted pursuant to subdivision
13	subsection and customer satisfaction reports submitted pursuant to subdivision
13 14	subsection and customer satisfaction reports submitted pursuant to subdivision (c)(4) of this section to evaluate the program and make necessary changes that
13 14 15	subsection and customer satisfaction reports submitted pursuant to subdivision (c)(4) of this section to evaluate the program and make necessary changes that fall within the Secretary's authority or, if beyond the scope of the Secretary's
13 14 15 16	subsection and customer satisfaction reports submitted pursuant to subdivision (c)(4) of this section to evaluate the program and make necessary changes that fall within the Secretary's authority or, if beyond the scope of the Secretary's authority, to recommend necessary changes to the appropriate committees of
13 14 15 16 17	subsection and customer satisfaction reports submitted pursuant to subdivision (c)(4) of this section to evaluate the program and make necessary changes that fall within the Secretary's authority or, if beyond the scope of the Secretary's authority, to recommend necessary changes to the appropriate committees of the General Assembly. [Repealed.]
13 14 15 16 17 18	subsection and customer satisfaction reports submitted pursuant to subdivision (c)(4) of this section to evaluate the program and make necessary changes that fall within the Secretary's authority or, if beyond the scope of the Secretary's authority, to recommend necessary changes to the appropriate committees of the General Assembly. [Repealed.] (j) Consistent with the training program's goal of providing specialized
13 14 15 16 17 18 19	subsection and customer satisfaction reports submitted pursuant to subdivision (c)(4) of this section to evaluate the program and make necessary changes that fall within the Secretary's authority or, if beyond the scope of the Secretary's authority, to recommend necessary changes to the appropriate committees of the General Assembly. [Repealed.] (j) Consistent with the training program's goal of providing specialized training and increased employment opportunities for Vermonters, and

1	regional technical centers to fund or provide supplemental funding for
2	apprenticeship training programs leading up to certification or licensing as
3	journeyman or master electricians or plumbers. The Secretary shall seek to
4	provide these funds equitably throughout Vermont; however, the Secretary
5	shall give priority to regions not currently served by apprenticeship programs
6	offered through the Vermont Department of Labor pursuant to 21 V.S.A.
7	chapter 13. [Repealed].
8	(k) Annually on or before January 15, the Secretary shall submit a report to
9	the House Committee on Commerce and Economic Development and the
10	Senate Committee on Economic Development, Housing and General Affairs
11	summarizing. In addition to the reporting requirements under section 540 of
12	this title, the report shall identify:
13	(1) all active and completed contracts and grants;
14	(2) the types of training activities provided, from among the following,
15	the category the training addressed:
16	(A) preemployment training or other training for a new employee to
17	begin a newly created position with the employer;
18	(B) preemployment training or other training for a new employee to
19	begin in an existing position with the employer;
20	(C) training for an incumbent employee who, upon completion of
21	training, assumes a newly created position with the employer;

1	(D) training for an incumbent employee who upon completion of
2	training assumes a different position with the employer;
3	(E) training for an incumbent employee to upgrade skills;
4	(3) for the training identified in subdivision whether the training is
5	onsite or classroom-based;
6	(4) the number of employees served, and $:$
7	(5) the average wage by employer, and addressing:
8	(6) any waivers granted;
9	(7) the identity of the employer, or, if unknown at the time of the report,
10	the category of employer;
11	(8) the identity of each training provider; and
12	(9) whether training results in a wage increase for a trainee, and the
13	amount of increase.
14	Sec. 43. REPEAL
15	2007 Acts and Resolves No. 46, Sec. 6(a), as amended by 2009 Acts and
16	Resolves No. 54, Sec. 8 (workforce education and training leader) and 2013
17	Acts and Resolves No. 81, Sec. 2, is repealed.
18	Sec. 44. DEPARTMENT OF LABOR; AGENCY OF COMMERCE AND
19	COMMUNITY DEVELOPMENT; STATUTORY PROPOSALS
20	On or before November 1, 2014:
21	(1) The Commissioner of Labor shall submit to the House Committee on
22	Commerce and Economic Development and the Senate Committee on

1	Economic Development, Housing and General Affairs a proposal to amend the
2	language of 10 V.S.A. § 543 to reflect best practices and improve clarity in the
3	administration of, and for applicants to, the grant program from the Workforce
4	Education and Training Fund under that section.
5	(2) The Secretary of Commerce and Community Development shall
6	submit to the House Committee on Commerce and Economic Development
7	and the Senate Committee on Economic Development, Housing and General
8	Affairs a proposal to amend the language of 10 V.S.A. § 531 to reflect best
9	practices and improve clarity in the administration of, and for applicants to, the
10	Vermont Training Program under that section.
11	Sec. 45. INTERNSHIP OPPORTUNITIES FOR YOUNG PERSONS
12	On or before January 15, 2015, the Commissioner of Labor shall submit to
13	the House Committee on Commerce and Economic Development and the
14	Senate Committee on Economic Development, Housing and General Affairs a
15	report that details the internship opportunities available to Vermonters between
16	15 and 18 years of age and recommends one or more means to expand these
17	opportunities through the Vermont Career Internship Program, 10 V.S.A.
18	§ 544, or through other appropriate mechanisms.
19	* * * Vermont Strong Scholars Program * * *
20	Sec. 46. 16 V.S.A. chapter 90 is redesignated to read:
21	CHAPTER 90. FUNDING OF POSTSECONDARY INSTITUTIONS
22	EDUCATION

(Draft No. 1.1 - 220)Page 75 of 98 5/8/2014 - DPH - 11:00 AM 1 Sec. 47. 16 V.S.A. § 2888 is added to read: 2 § 2888. VERMONT STRONG SCHOLARS AND INTERNSHIP 3 INITIATIVE 4 (a) Creation. 5 (1) There is created a postsecondary loan forgiveness and internship 6 initiative designed to forgive a portion of Vermont Student Assistance 7 Corporation loans of students employed in economic sectors identified as 8 important to Vermont's economy and to build internship opportunities for 9 students to gain work experience with Vermont employers. 10 (2) The initiative shall be known as the Vermont Strong Scholars and 11 Internship Initiative and is designed to: 12 (A) encourage students to: 13 (i) consider jobs in economic sectors that are critical to the 14 Vermont economy; 15 (ii) enroll and remain enrolled in a Vermont postsecondary 16 institution; and 17 (iii) live in Vermont upon graduation; 18 (B) reduce student loan debt for postsecondary education in targeted 19 fields; 20 (C) provide experiential learning through internship opportunities 21 with Vermont employers; and

1	(D) support a pipeline of qualified talent for employment with
2	Vermont's employers.
3	(b) Vermont Strong Loan Forgiveness Program.
4	(1) Economic sectors; projections.
5	(A) Annually, on or before November 15, the Secretary of Commerce
6	and Community Development and the Commissioner of Labor, in consultation
7	with the Vermont State Colleges, the University of Vermont, the Vermont
8	Student Assistance Corporation, the Secretary of Human Services, and the
9	Secretary of Education, shall identify economic sectors, projecting at least four
10	years into the future, that are or will be critical to the Vermont economy.
11	(B) Based upon the identified economic sectors and the number of
12	students anticipated to qualify for loan forgiveness under this section, the
13	Secretary of Commerce and Community Development shall annually provide
14	the General Assembly with the estimated cost of the Vermont Student
15	Assistance Corporation's loan forgiveness awards under the loan forgiveness
16	program during the then-current fiscal year and each of the four following
17	fiscal years.
18	(2) Eligibility. A graduate of a public or private Vermont postsecondary
19	institution shall be eligible for forgiveness of a portion of his or her Vermont
20	Student Assistance Corporation postsecondary education loans under this
21	section if he or she:

1	(A) was a Vermont resident, as defined in 16 V.S.A. § 2822(7), at the
2	time he or she was graduated;
3	(B) enrolled in a postsecondary institution on or after July 1, 2015
4	and completed an associate's degree within three years, or a bachelor's degree
5	within six years;
6	(C) becomes employed in Vermont within 12 months of graduation
7	in an economic sector identified by the Secretary and Commissioner under
8	subdivision (1) of this subsection;
9	(D) remains employed in Vermont throughout the period of loan
10	forgiveness in an economic sector identified by the Secretary and
11	Commissioner under subdivision (1) of this subsection; and
12	(E) remains a Vermont resident throughout the period of loan
13	forgiveness.
14	(3) Loan forgiveness. An eligible individual shall have a portion of his
15	or her Vermont Student Assistance Corporation loan forgiven as follows:
16	(A) for an individual awarded an associate's degree, in an amount
17	equal to the comprehensive in-state tuition rate for 15 credits at the Vermont
18	State Colleges during the individual's final semester of enrollment, to be
19	prorated over the three years following graduation; and
20	(B) for an individual awarded a bachelor's degree, in an amount
21	equal to the comprehensive in-state tuition rate for 30 credits at the Vermont

1	State Colleges during the individual's final year of enrollment, to be prorated
2	over the five years following graduation.
3	(C) Loan forgiveness may be awarded on a prorated basis to an
4	otherwise eligible Vermont resident who transfers to and is graduated from a
5	Vermont postsecondary institution.
6	(4) Management.
7	(A) The Secretary of Commerce and Community Development shall
8	develop all organizational details of the loan forgiveness program consistent
9	with the purposes and requirements of this section.
10	(B) The Secretary shall enter into a memorandum of understanding
11	with the Vermont Student Assistance Corporation for management of the loan
12	forgiveness program.
13	(C) The Secretary may adopt rules pursuant to 3 V.S.A. chapter 25
14	necessary to implement the Program.
15	(c) Vermont Strong Internship Program.
16	(1) Internship program management.
17	(A) The Commissioner of Labor and the Secretary of Commerce and
18	Community Development shall jointly develop and implement the
19	organizational details of the internship program consistent with the purposes
20	and requirements of this section and may adopt rules pursuant to 3 V.S.A.
21	chapter 25 necessary to implement the internship program.

1	(B) The Commissioner, in consultation with the Secretary, shall issue
2	a request for proposals for a person to serve as an Internship Program
3	Intermediary, who shall perform the duties and responsibilities pursuant to the
4	terms of a performance contract negotiated by the Commissioner and the
5	Intermediary.
6	(C) The Department of Labor, the Agency of Commerce and
7	Community Development, the regional development corporations, and the
8	Intermediary, shall have responsibility for building connections within the
9	business community to ensure broad private sector participation in the
10	internship program.
11	(D) The Program Intermediary shall:
12	(i) identify and foster postsecondary internships that are rigorous,
13	productive, well-managed, and mentored;
14	(ii) cultivate relationships with employers, employer-focused
15	organizations, and state and regional government bodies;
16	(iii) build relationships with Vermont postsecondary institutions
17	and facilitate recruitment of students to apply for available internships;
18	(iv) create and maintain a registry of participating employers and
19	associated internship opportunities;
20	(v) coordinate and provide support to the participating student, the
21	employer, and the student's postsecondary institution;

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1	(vi) develop and oversee a participation contract between each
2	student and employer, including terms governing the expectations for the
3	internship, a work plan, mentoring and supervision of the student, reporting by
4	the employer and student, and compensation terms; and
5	(vii) carry out any additional activities and duties as directed by
6	the Commissioner.
7	(2) Qualifying internships.
8	(A) Criteria. To qualify for participation in the internship program an
9	internship shall at minimum:
10	(i) be with a Vermont employer as approved by the Intermediary
11	in consultation with the Commissioner and Secretary;
12	(ii) pay compensation to an intern of at least the prevailing
13	minimum wage; and
14	(iii) meet the quality standards and expectations as established by
15	the Intermediary.
16	(B) Employment of interns. Interns shall be employed by the
17	sponsoring employer except, with the approval of the Commissioner on a
18	case-by-case basis, interns may be employed by the Intermediary and assigned
19	to work with a participating Vermont employer, in which case the sponsoring
20	employer shall contribute funds as determined by the Commissioner.
21	(3) Student eligibility. To participate in the internship program an
22	individual shall be:

1	(A) a Vermont resident enrolled in a post-secondary institution in or
2	outside Vermont:
3	(B) a student who graduated from a postsecondary institution within
4	24 months of entering the program who was classified as a Vermont resident
5	during that schooling or who is a student who attended a post-secondary
6	institution in Vermont; or
7	(C) a student enrolled in a Vermont post-secondary institution.
8	(d) Funding.
9	(1) Loan forgiveness program.
10	(A) Loan forgiveness; State funding.
11	(i) There is created a special fund to be known as the Vermont
12	Strong Scholars Fund pursuant to 32 V.S.A. chapter 7, subchapter 5, which
13	shall be used and administered by the Secretary of Commerce and Community
14	Development solely for the purposes of loan forgiveness pursuant to this
15	section.
16	(ii) The Fund shall consist of sums to be identified by the
17	Secretary from any source accepted for the benefit of the Fund and interest
18	earned from the investment of Fund balances.
19	(iii) Any interest earned and any remaining balance at the end of
20	the fiscal year shall be carried forward in the Fund.
21	(iv) The availability and payment of loan forgiveness awards
22	under this subdivision is subject to State funding available for the awards.

1	(B) Loan forgiveness; Vermont Student Assistance Corporation.
2	The Vermont Student Assistance Corporation shall have the authority to grant
3	loan forgiveness pursuant to this section by using the private loan forgiveness
4	capacity associated with bonds issued by the Corporation to raise funds for
5	private loans that are eligible for forgiveness under this section, if available.
6	(2) Internship program. Notwithstanding any provision of law to the
7	contrary, the Commissioner of Labor shall have the authority to use funds
8	allocated to the Workforce Education and Training Fund established in
9	10 V.S.A. § 543 to implement the internship program created in this section.
10	Sec. 48. VERMONT STRONG INTERIM REPORT
11	On or before November 1, 2014, the Secretary of Commerce and
12	Community Development shall report to the Joint Fiscal Committee on the
13	organizational and economic details of the Vermont Strong Scholars Initiative,
14	including:
15	(1) the economic sectors selected for loan forgiveness;
16	(2) the projected annual cost of the Initiative,
17	(3) the proposed funding sources;
18	(4) programmatic proposals and economic projections on the feasibility
19	and impacts of expanding eligibility for the loan forgiveness program to
20	include Vermont residents who attend postsecondary institutions outside of
21	Vermont and out-of-state residents who attend Vermont postsecondary
22	institutions; and

1	(5) the projected balance of the Vermont Strong Scholars Fund for each
2	fiscal year through fiscal year 2018.
3	Sec. 49. VERMONT PRODUCTS PROGRAM; STUDY; REPORT
4	(a) On or before September 1, 2015, the Agency of Commerce and
5	Community Development, after consulting with appropriate stakeholders, shall
6	report to the Senate Committee on Economic Development, Housing and
7	General Affairs and the House Committee on Commerce and Economic
8	Development on creating a Vermont Products Program for the purpose of
9	providing Vermont businesses with a means of promoting and marketing
10	products and services that are manufactured, designed, engineered, or
11	formulated in Vermont and avoiding confusion by consumers when the
12	Vermont brand is used in marketing products or services.
13	(b) The report required by this section shall describe the method,
14	feasibility, and cost of creating a Vermont Products Program that includes the
15	following elements:
16	(1) The program shall include a licensing system that enables qualifying
17	persons to make marketing claims concerning significant business activities
18	occurring in Vermont, and to self-certify products and services that are
19	manufactured, designed, engineered, or formulated in Vermont. Under this
20	system, the Secretary shall identify and craft branding and marketing
21	guidelines that concern whether and how qualifying products or services
22	manufactured, designed, engineered, or formulated in Vermont can be properly

1	claimed so as to be licensed. The licensing system shall permit an applicant to
2	self-certify compliance with designated criteria and attest to the accuracy of
3	claims authorized by the Secretary in order to obtain a license to advertise and
4	promote a product or service using the licensed materials.
5	(2) The program may charge an annual fee for the issuance of the
6	license.
7	(3) The program shall include an on-line application process that
8	permits an applicant to obtain the license if he or she certifies compliance with
9	criteria designated by the Secretary, attests to the accuracy of statements
10	designated by the Secretary, and pays the required fee.
11	(4) Licenses issued under the program shall include a provision
12	requiring that disputes regarding the license be resolved by alternative dispute
13	resolution. A person who objects to the issuance of a license may file a
14	complaint with the Secretary, who shall refer it for alternative dispute
15	resolution as provided in the license.
16	(5) A special fund, comprising license fees and any monies appropriated
17	by the General Assembly, may be created for the administration and
18	advertising of the program.
19	(c) The report required by this section shall include a recommendation as to
20	whether the Vermont Products Program should replace the rules regarding
21	Vermont Origin adopted by the Attorney General.

1	(d) On or before March 15, 2015, the Secretary of Commerce and
2	Community Development shall deliver testimony to the Senate Committee on
3	Economic Development, Housing and General Affairs and the House
4	Committee on Commerce and Economic Development on the status of the
5	Vermont Products Program pursuant to this section.
6	* * * Workers' Compensation * * *
7	Sec. 50. 21 V.S.A. § 632 is amended to read:
8	§ 632. COMPENSATION TO DEPENDENTS; DEATH BENEFITS
9	BURIAL AND FUNERAL EXPENSES
10	If death results from the injury, the employer shall pay to the persons
11	entitled to compensation or, if there is none, then to the personal representative
12	of the deceased employee, the actual burial and funeral expenses in the amount
13	of \$5,500.00 not to exceed \$10,000.00 and the actual expenses for out-of-state
14	transportation of the decedent to the place of burial not to exceed $\$1,000.00$
15	\$5,000.00. Every two years, the Commissioner of Labor shall evaluate the
16	average burial and funeral expenses in the State and make a recommendation
17	to the House Committee on Commerce and Economic Development and the
18	Senate Committee on Finance as to whether an adjustment in compensation is
19	warranted. The employer shall also pay to or for the benefit of the following
20	persons, for the periods prescribed in section 635 of this title, a weekly
21	compensation equal to the following percentages of the deceased employee's
22	average weekly wages. The weekly compensation payment herein allowed

1	shall not exceed the maximum weekly compensation or be lower than the
2	minimum weekly compensation:
3	* * *
4	Sec. 51. 21 V.S.A. § 639 is amended to read:
5	§ 639. DEATH, PAYMENT TO DEPENDENTS
6	In cases of the death of a person from any cause other than the accident
7	during the period of payments for disability or for the permanent injury, the
8	remaining payments for disability then due or for the permanent injury shall be
9	made to the person's dependents according to the provisions of sections 635
10	and 636 of this title, or if there are none, the remaining amount due, but not
11	exceeding \$5,500.00 for burial and funeral expenses no more than the actual
12	burial and funeral expenses not to exceed \$10,000.00 and the actual expenses
13	for out-of-state transportation of the decedent to the place of burial not to
14	exceed \$1,000.00 \$5,000.00, shall be paid in a lump sum to the proper person.
15	Every two years, the Commissioner of Labor shall evaluate the average burial
16	and funeral expenses in the State and make a recommendation to the House
17	Committee on Commerce and Economic Development and the Senate
18	Committee on Finance as to whether an adjustment in compensation is
19	warranted.
20	Sec. 52. 21 V.S.A. § 640c is added to read:
21	§ 640c. OPIOID USAGE DETERRENCE

1	(a) In support of the State's fundamental interest in ensuring the well-being
2	of employees and employers, it is the intent of the General Assembly to protect
3	employees from the dangers of prescription drug abuse while maintaining a
4	balance between the employee's health and the employee's expedient return to
5	work.
6	(b) As it pertains to workers' compensation claims, the Commissioner of
7	Labor, in consultation with the Department of Health, the State
8	Pharmacologist, the Vermont Board of Medical Practice, and the Vermont
9	Medical Society, shall adopt rules, consistent with the best practices, governing
10	the prescription of opioids, including patient screening and drug screening for
11	patients prescribed opioids for chronic pain. In adopting rules, the
12	Commissioner shall consider guidelines and standards published by the
13	American College of Occupational and Environmental Medicine and other
14	medical authorities with expertise in the treatment of chronic pain. The rules
15	shall be consistent with the standards and guidelines provided under 18 V.S.A.
16	§ 4289 and any rules adopted by the Department of Health pursuant to
17	<u>18 V.S.A § 4289.</u>
18	Sec. 53. 21 V.S.A. § 641 is amended to read:
19	§ 641. VOCATIONAL REHABILITATION
20	* * *
21	(e)(1) In support of the State's fundamental interest in ensuring the
22	well-being of employees and employers, it is the intent of the General

1	Assembly that, following a workplace accident, an employee returns to work
2	as soon as possible but remains cognizant of the limitations imposed by his or
3	her medical condition.
4	(2) The Commissioner shall adopt rules promoting development and
5	implementation of cost-effective, early return-to-work programs.
6	Sec. 54. 21 V.S.A. § 643a is amended to read:
7	§ 643a. DISCONTINUANCE OF BENEFITS
8	Unless an injured worker has successfully returned to work, an employer
9	shall notify both the Commissioner and the employee prior to terminating
10	benefits under either section 642 or 646 of this title. The notice of intention to
11	discontinue payments shall be filed on forms prescribed by the Commissioner
12	and shall include the date of the proposed discontinuance, the reasons for it,
13	and, if the employee has been out of work for 90 days, a verification that the
14	employer offered vocational rehabilitation screening and services as required
15	under this chapter. All relevant evidence, including evidence that does not
16	support discontinuance in the possession of the employer not already filed,
17	shall be filed with the notice shall be provided to the injured worker. With the
18	notice of discontinuance, the employer shall file only evidence relevant to the
19	discontinuance, including evidence that does not support the discontinuance,
20	with the Commissioner. The liability for the payments shall continue for seven
21	days after the notice is received by the Commissioner and the employee. If the
22	claimant disputes the discontinuance, the claimant may file with the

1	Commissioner an objection to the discontinuance and seek an extension of the
2	seven-day limit. The Commissioner may grant an extension up to seven days.
3	The request for an extension shall be specific as to the reason for the extension
4	and must be received by the Commissioner prior to the end of the seven-day
5	limit. A copy of the request for an extension shall be provided to the employer
6	at the time the request is made to the Commissioner. Those payments shall be
7	made without prejudice to the employer and may be deducted from any
8	amounts due pursuant to section 648 of this title if the Commissioner
9	determines that the discontinuance is warranted or if otherwise ordered by the
10	Commissioner. Every notice shall be reviewed by the Commissioner to
11	determine the sufficiency of the basis for the proposed discontinuance. If, after
12	review of all the evidence in the file, the Commissioner finds that a
13	preponderance of all the evidence in the file does not reasonably support the
14	proposed discontinuance, the Commissioner shall order that payments continue
15	until a hearing is held and a decision is rendered. Prior to a formal hearing, an
16	injured worker may request reinstatement of benefits by providing additional
17	new evidence to the Department that establishes that a preponderance of all
18	evidence now supports the claim. If the Commissioner's decision, after a
19	hearing, is that the employee was not entitled to any or all benefits paid
20	between the discontinuance and the final decision, upon request of the
21	employer, the Commissioner may order that the employee repay all benefits to

1	which the employee was not entitled. The employer may enforce a repayment
2	order in any court of law having jurisdiction.
3	Sec. 55. 21 V.S.A. § 691a is added to read:
4	<u>§ 691a. POSTING OF SAFETY RECORDS</u>
5	(a) In support of the State's fundamental interest in ensuring the well-being
6	of employees and employers, it is the intent of the General Assembly to
7	improve the safety experience in the workplace.
8	(b) An employer subject to the provisions of this chapter shall post a notice
9	in the employer's place of business to advise employees of where they may
10	review the employer's record of workplace safety, including workplace injury
11	and illness data, in accordance with rules adopted by the Commissioner. The
12	employer's record of workplace safety, including workplace injury and illness
13	data, shall be available for review by employees at the employer's place of
14	business and the Commissioner, but shall not otherwise be public information.
15	The posting shall be in a format approved by the Commissioner. The posting
16	may be in a format provided by the Commissioner.
17	Sec. 56. 21 V.S.A. § 696 is amended to read:
18	§ 696. CANCELLATION OF INSURANCE CONTRACTS
19	A policy or contract shall not be cancelled within the time limited specified
20	in the policy or contract for its expiration, until at least 45 days after a notice of
21	intention to cancel the policy or contract, on a date specified in the notice, has
22	been filed in the office of the commissioner Commissioner and provided to the

1	employer. The notice shall be filed with the Commissioner in accordance with
2	rules adopted by the Commissioner and provided to the employer by certified
3	mail or certificate of mailing. The cancellation shall not affect the liability of
4	an insurance carrier on account of an injury occurring prior to cancellation.
5	Sec. 57. 21 V.S.A. § 697 is amended to read:
6	§ 697. NOTICE OF INTENT NOT TO RENEW POLICY
7	An insurance carrier who does not intend to renew a workers' compensation
8	insurance policy of workers' compensation insurance or guarantee contract
9	covering the liability of an employer under the provisions of this chapter, 45
10	days prior to the expiration of the policy or contract, shall give notice of the its
11	intention to the commissioner of labor Commissioner and to the covered
12	employer at least 45 days prior to the expiration date stated in the policy or
13	contract. The notice shall be given to the employer by certified mail or
14	certificate of mailing. An insurance carrier who fails to give notice shall
15	continue the policy or contract in force beyond its expiration date for 45 days
16	from the day the notice is received by the commissioner Commissioner and the
17	employer. However, this latter provision shall not apply if, prior to such
18	expiration date, on or before the expiration of the existing insurance or
19	guarantee contract the insurance carrier has, by delivery of a renewal contract
20	or otherwise, offered to continue the insurance beyond the date by delivery of a
21	renewal contract or otherwise, or if the employer notifies the insurance carrier
22	in writing that the employer does not wish the insurance continued beyond the

1	expiration date, or if the employer complies with the provisions of section 687
2	of this title, on or before the expiration of the existing insurance or guarantee
3	contract then the policy will expire upon notice to the Commissioner.
4	Sec. 58. ROBERT H. WOOD CRIMINAL JUSTICE AND FIRE SERVICE
5	TRAINING CENTER STUDY
6	The Department of Labor and the Office of Risk Management, in
7	consultation with the Vermont League of Cities and Towns and any other
8	interested parties, shall conduct a study, to be submitted to the House
9	Committee on Commerce and Economic Development and the Senate
10	Committee on Finance on or before January 15, 2015, to:
11	(1) analyze existing and frequently occurring injuries suffered by
12	individuals while attending the Robert H. Wood Criminal Justice and Fire
13	Service Training Center;
14	(2) analyze preventive measures to avoid injuries;
15	(3) recommend who should bear the financial burden of the workers'
16	compensation premiums; and
17	(4) recommend preventive measures necessary to reduce injuries.
18	Sec. 59. WORKPLACE SAFETY RANKING STUDY
19	The Department of Labor and the Department of Financial Regulation, in
20	consultation with the National Council on Compensation Insurance, shall
21	study whether information may be made available to employers to allow an
22	employer to compare its workplace safety and workers' compensation

1	experience with that of employers in similar industries or North American
2	Industry Classification System codes.
3	Sec. 60. 2013 Acts and Resolves No. 75, Sec. 14 is amended as follows:
4	Sec. 14. UNIFIED PAIN MANAGEMENT SYSTEM ADVISORY
5	COUNCIL
6	* * *
7	(b) The Unified Pain Management System Advisory Council shall consist
8	of the following members:
9	* * *
10	(4) the Commissioner of Labor or designee;
11	(5) the Director of the Blueprint for Health or designee;
12	(5)(6) the Chair of the Board of Medical Practice or designee, who shall
13	be a clinician;
14	(6)(7) a representative of the Vermont State Dental Society, who shall
15	be a dentist;
16	(7)(8) a representative of the Vermont Board of Pharmacy, who shall be
17	a pharmacist;
18	(8)(9) a faculty member of the academic detailing program at the
19	University of Vermont's College of Medicine;
20	(9)(10) a faculty member of the University of Vermont's College of
21	Medicine with expertise in the treatment of addiction or chronic pain
22	management;

1	(10)(11) a representative of the Vermont Medical Society, who shall be
2	a primary care clinician;
3	(11)(12) a representative of the American Academy of Family
4	Physicians, Vermont chapter, who shall be a primary care clinician;
5	(12)(13) a representative from the Vermont Board of Osteopathic
6	Physicians, who shall be an osteopath;
7	(13)(14) a representative of the Federally Qualified Health Centers, who
8	shall be a primary care clinician selected by the Bi-State Primary Care
9	Association;
10	(14)(15) a representative of the Vermont Ethics Network;
11	(15)(16) a representative of the Hospice and Palliative Care Council of
12	Vermont;
12 13	Vermont; (16)(17) a representative of the Office of the Health Care Ombudsman;
13	(16)(17) a representative of the Office of the Health Care Ombudsman;
13 14	(16)(17) a representative of the Office of the Health Care Ombudsman; (17)(18) the Medical Director for the Department of Vermont Health
13 14 15	(16)(17) a representative of the Office of the Health Care Ombudsman; (17)(18) the Medical Director for the Department of Vermont Health Access;
13 14 15 16	 (16)(17) a representative of the Office of the Health Care Ombudsman; (17)(18) the Medical Director for the Department of Vermont Health Access; (18)(19) a clinician who works in the emergency department of a
13 14 15 16 17	(16)(17) a representative of the Office of the Health Care Ombudsman; (17)(18) the Medical Director for the Department of Vermont Health Access; (18)(19) a clinician who works in the emergency department of a hospital, to be selected by the Vermont Association of Hospitals and Health
13 14 15 16 17 18	(16)(17) a representative of the Office of the Health Care Ombudsman; (17)(18) the Medical Director for the Department of Vermont Health Access; (18)(19) a clinician who works in the emergency department of a hospital, to be selected by the Vermont Association of Hospitals and Health Systems in consultation with any nonmember hospitals;
13 14 15 16 17 18 19	<pre>(16)(17) a representative of the Office of the Health Care Ombudsman; (17)(18) the Medical Director for the Department of Vermont Health Access; (18)(19) a clinician who works in the emergency department of a hospital, to be selected by the Vermont Association of Hospitals and Health Systems in consultation with any nonmember hospitals; (19)(20) a member of the Vermont Board of Nursing Subcommittee on</pre>

1	(21)(22) a psychologist licensed pursuant to 26 V.S.A. chapter 55 who
2	has experience in treating chronic pain, to be selected by the Board of
3	Psychological Examiners;
4	(22)(23) a drug and alcohol abuse counselor licensed pursuant to
5	33 V.S.A. chapter 8, to be selected by the Deputy Commissioner of Health for
6	Alcohol and Drug Abuse Programs;
7	(23)(24) a retail pharmacist, to be selected by the Vermont Pharmacists
8	Association;
9	(24)(25) an advanced practice registered nurse full-time faculty member
10	from the University of Vermont's Department of Nursing; and
11	(25)(26) a consumer representative who is either a consumer in recovery
12	from prescription drug abuse or a consumer receiving medical treatment for
13	chronic noncancer-related pain-;
14	(27) a clinician who specializes in occupational medicine or physical
15	medicine and rehabilitation; and
16	(28) a consumer representative who is or has been an injured worker and
17	has been prescribed opioids.
18	* * *
19	* * * Prevailing Wages; State Construction Projects * * *
20	Sec. 61. 29 V.S.A. § 161 is amended to read:
21	§ 161. REQUIREMENTS ON STATE CONSTRUCTION PROJECTS
22	* * *

1	(b) Each contract awarded under this section for any State project with a
2	construction cost exceeding \$100,000.00 and construction projects which is are
3	authorized or funded in whole or in part by a capital construction act pursuant
4	to 32 V.S.A. § 701a, including such a project of the University of Vermont and
5	State Agricultural College and of the Vermont State Colleges, shall provide
6	that all construction employees working on the project shall be paid no less
7	than the mean prevailing wage published periodically by the Department of
8	Labor in its occupational employment and wage survey determinations as have
9	been made by the Secretary of the U.S. Department of Labor in accordance
10	with the Davis-Bacon Act, 40 U.S.C. § 276a, as may be amended. The
11	Commissioner of Labor, in consultation with the Commissioner of Buildings
12	and General Services, may adopt rules as necessary, pursuant to 3 V.S.A.
13	chapter 25, to implement this subsection. This section does not require that the
14	federal Davis-Bacon Act reporting requirements be applied to State
15	construction projects.
16	* * *
17	Sec. 62. STATE CONSTRUCTION PROJECTS; CONTRACTS SUBJECT
18	TO STATE PREVAILING WAGE
19	(a) It is the intent of the General Assembly that the transition to the use of
20	the prevailing wage determinations as have been made by the Secretary of the
21	U.S. Department of Labor in accordance with the Davis-Bacon Act, 40 U.S.C.
22	§ 276a, as may be amended, in State construction projects shall not change the

1	scope of State construction projects that are subject to the requirements of
2	<u>29 V.S.A. § 161(b).</u>
3	(b) Notwithstanding Sec. 1 of this act, the following contracts shall remain
4	subject to the mean prevailing wage published periodically by the Vermont
5	Department of Labor in its occupational employment and wage survey:
6	(1) contracts for State construction projects executed prior to July 1,
7	<u>2015;</u>
8	(2) any change orders or amendments to contracts for State construction
9	projects executed prior to July 1, 2015; and
10	(3) contracts for State construction projects that result from instructions
11	to bidders posted by the State of Vermont prior to July 1, 2015.
12	Sec. 63. PREVAILING WAGE; UNIVERSITY OF VERMONT AND
13	VERMONT STATE COLLEGES
14	The University of Vermont and State Agricultural College and the Vermont
15	State Colleges shall pay no less than the prevailing wage determinations as
16	have been made by the Secretary of the U.S. Department of Labor in
17	accordance with the Davis-Bacon Act, 40 U.S.C. § 276a, as may be amended,
18	for any new construction or major renovation project that receives funding in
19	any capital construction act.
20	* * * Effective Dates * * *
21	Sec. 64. EFFECTIVE DATES

1	(a) This section, Secs. 20a (Public Service Board; order revision), 52, 53,
2	58, 59, and 60 (certain workers' compensation provisions) shall take effect on
3	passage.
4	(b) 16 V.S.A. § 2888(b)(3) (Vermont Strong loan forgiveness) in Sec. 47
5	and Secs. 61-63 shall take effect on July 1, 2015.
6	(c) The remainder of this act shall take effect on July 1, 2014.
7	