

House Calendar

Thursday, April 07, 2016

94th DAY OF THE ADJOURNED SESSION

House Convenes at 1:00 PM

TABLE OF CONTENTS

	Page No.
ACTION CALENDAR	
Third Reading	
H. 865 Promoting workforce housing	1422
Favorable with Amendment	
H. 868 Miscellaneous economic development provisions	1422
Rep. Botzow for Commerce and Economic Development	
Rep. Ancel for Ways and Means	1422
Rep. Keenan for Appropriations.....	1444
Rep. Ancel Amendment	1444
Rep. Masland Amendment	1445
Rep. Browning Amendment.....	1446
S. 171 An act relating to eligibility for pretrial risk assessment and needs screening.....	1448
Rep. Rachelson for Judiciary	
NOTICE CALENDAR	
Favorable with Amendment	
H. 870 Telecommunications	1449
Rep. Carr for Commerce and Economic Development	
Rep. Wood for Corrections and Institutions.....	1449
Rep. Keenan for Appropriations.....	1449
Rep. Young for Ways and Means.....	1449
Rep. Hooper, et al Amendment	1450
Rep. Masland Amendment	1451
Rep. Ancel Amendment	1452
Senate Proposal of Amendment	
H. 531 Aboveground storage tanks	1453

Consent Calendar

H.C.R. 316 Honoring Zachariah Fike and his Purple Hearts Reunited organization	1454
H.C.R. 317 Honoring the Vermont Network Against Domestic and Sexual Violence on its 30th anniversary	1454
H.C.R. 318 Congratulating the Vermont Agency of Transportation on receiving a \$10 million federal Transportation Infrastructure Generating Economic Recovery grant to help complete the western rail corridor from Rutland to Burlington	1454
H.C.R. 319 Congratulating the 2016 College of St. Joseph Lady Saints United States Collegiate Athletic Association Division II championship women’s basketball team	1454
H.C.R. 320 Designating April 5, 2016 as National Service Day in Vermont	1455
H.C.R. 321 Commemorating the bicentennial anniversary of the former Concord Corner Congregational Church building	1455
H.C.R. 322 Commemorating former President Calvin Coolidge’s historic 1928 presidential trip to Cuba	1455
H.C.R. 323 Congratulating the 2016 U-32 High School Raiders Division II championship boys’ ice hockey team.....	1455
H.C.R. 324 Congratulating the 2016 Bellows Free Academy–St. Albans Bobwhites Division I championship boys’ hockey team	1455
H.C.R. 325 Recognizing all Vermont firefighters, police officers, and emergency medical service (EMS) personnel for the professional level of service they provide to their communities.....	1455
H.C.R. 326 Congratulating the American Tree Farm System on its 75th anniversary	1455
H.C.R. 327 Honoring the entrepreneurship of Maple Sugar & Vermont Spice in Mendon.....	1455
H.C.R. 328 Congratulating the 2016 U-32 High School Division II girls’ championship Nordic ski team	1455
H.C.R. 329 Congratulating Vermont Law School on the inauguration of its solar energy project	1455

ORDERS OF THE DAY

ACTION CALENDAR

Third Reading

H. 865

An act relating to promoting workforce housing

Favorable with Amendment

H. 868

An act relating to miscellaneous economic development provisions.

(Rep. Botzow of Pownal will speak for the Committee on Commerce & Economic Development.)

Rep. Ancel of Calais, for the Committee on **Ways & Means**, recommends the bill ought to pass when amended as follows:

First: By striking out Secs. H.1–H.12 in their entirety and inserting in lieu thereof Secs. H.1–H.13 to read:

Sec. H.1. 32 V.S.A. chapter 2 is added to read:

CHAPTER 2. VERMONT EMPLOYMENT GROWTH INCENTIVE
PROGRAM

Subchapter 1. Vermont Economic Progress Council

§ 25. VERMONT ECONOMIC PROGRESS COUNCIL

(a) Creation. The Vermont Economic Progress Council is created to exercise the authority and perform the duties assigned to it, including its authority and duties relating to:

(1) the Vermont Employment Growth Incentive Program pursuant to subchapter 2 of this chapter; and

(2) tax increment financing districts pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title.

(b) Membership.

(1) The Council shall have 11 voting members:

(A) nine residents of the State appointed by the Governor with the advice and consent of the Senate who are knowledgeable and experienced in the subjects of community development and planning, education funding requirements, economic development, State fiscal affairs, property taxation, or

entrepreneurial ventures and represent diverse geographical areas of the State and municipalities of various sizes;

(B) one member of the Vermont House of Representatives appointed by the Speaker of the House; and

(C) one member of the Vermont Senate appointed by the Senate Committee on Committees.

(2)(A) The Council shall have two regional members from each region of the State, one appointed by the regional development corporation of the region and one appointed by the regional planning commission of the region.

(B) A regional member shall be a nonvoting member and shall serve during consideration by the Council of an application from his or her region.

(c) Terms.

(1) Members of the Council appointed by the Governor shall serve initial staggered terms with five members serving four-year terms, and four members serving two-year terms.

(2) After the initial term expires, a member's term is four years and a member may be reappointed.

(3) A term commences on April 1 of each odd-numbered year.

(d) Compensation.

(1) For attendance at a meeting and for other official duties, a member appointed by the Governor shall be entitled to compensation for services and reimbursement of expenses as provided in section 1010 of this title, except that a member who is a member of the General Assembly shall be entitled to compensation for services and reimbursement of expenses as provided in 2 V.S.A. § 406.

(2) A regional member who does not otherwise receive compensation and reimbursement of expenses from his or her regional development or planning organization shall be entitled to compensation and reimbursement of expenses for attendance at meetings and for other official duties as provided in section 1010 of this title.

(e) Operation.

(1) The Governor shall appoint a chair from the Council's members.

(2) The Council shall receive administrative support from the Agency of Commerce and Community Development and the Department of Taxes.

(3) The Council shall have:

(A) an executive director appointed by the Governor with the advice and consent of the Senate who is knowledgeable in subject areas of the Council's jurisdiction and who is an exempt State employee; and

(B) administrative staff.

(f) Rulemaking authority. The Council shall have the authority to adopt policies and procedures as necessary, and to adopt rules under 3 V.S.A. chapter 25, to implement the provisions of this chapter.

(g) Decisions not subject to review. A decision of the Council to approve or deny an application under subchapter 2 of this chapter, or to approve or deny a tax increment financing district pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title, is an administrative decision that is not subject to the contested case hearing requirements under 3 V.S.A. chapter 25 and is not subject to judicial review.

§ 26. COST-BENEFIT MODEL

(a) The Council shall adopt and maintain a cost-benefit model for assessing and measuring the projected net fiscal cost and benefit to the State of proposed economic development activities.

(b) The Council shall not modify the cost-benefit model without the prior approval of the Joint Fiscal Committee.

Subchapter 2. Vermont Employment Growth Incentive Program

§ 30. PURPOSE; FORM OF INCENTIVES; ENHANCED INCENTIVES

ELIGIBLE APPLICANT

(a) Purpose. The purpose of the Vermont Employment Growth Incentive Program is to encourage a business to add new payroll, create new jobs, and make new capital investments by sharing with the business a portion of the revenue generated by the new payroll, new jobs, and new capital investments.

(b) Form of incentives; enhanced incentives.

(1) The Vermont Economic Progress Council may approve an incentive under this subchapter in the form of a direct cash payment in annual installments.

(2) The Council may approve the following enhanced incentives:

(A) an enhanced incentive for a business in a labor market area with higher than average unemployment or lower than average wages pursuant to section 34 of this title;

(B) an enhanced incentive for an environmental technology business pursuant to section 35 of this title; and

(C) an enhanced incentive for a business that participates in a State workforce training program pursuant to section 36 of this title.

(c) Eligible applicant. Only a business may apply for an incentive pursuant to this subchapter.

§ 31. DEFINITIONS

As used in this subchapter:

(1) “Award period” means the consecutive five years during which a business may apply for an incentive under this subchapter.

(2) “Base employment” means the number of full-time Vermont jobs held by non-owner employees as of the date a business with an approved application commences its proposed economic activity.

(3) “Base payroll” means the Vermont gross salaries and wages paid as compensation to full-time Vermont jobs held by non-owner employees as of the date a business with an approved application commences its proposed economic activity.

(4) “Capital investment performance requirement” means the minimum value of additional investment in one or more capital improvements.

(5) “Jobs performance requirement” means the minimum number of qualifying jobs a business must add.

(6) “Labor market area” means a labor market area as designated by the Vermont Department of Labor.

(7) “Non-owner” means a person with no more than 10 percent ownership interest, including attribution of ownership interests of the person’s spouse, parents, spouse’s parents, siblings, and children.

(8) “Payroll performance requirement” means the minimum value of Vermont gross salaries and wages a business must pay as compensation for one or more qualifying jobs.

(9) “Qualifying job” means a new, permanent position in Vermont that meets each of the following criteria:

(A) The position is filled by a non-owner employee who regularly works at least 35 hours each week.

(B) The business provides compensation for the position that equals or exceeds the wage threshold.

(C) The business provides for the position at least three of the following:

(i) health care benefits with 50 percent or more of the premium paid by the business;

(ii) dental assistance;

(iii) paid vacation;

(iv) paid holidays;

(v) child care;

(vi) other extraordinary employee benefits;

(vii) retirement benefits;

(viii) other paid time off, including paid sick days.

(D) The position is not an existing position that the business transfers from another facility within the State.

(E) When the position is added to base employment, the business's total employment exceeds its average annual employment during the two preceding years, unless the Council determines that the business is establishing a significantly different, new line of business and creating new jobs in the new line of business that were not part of the business prior to filing its application.

(10) "Utilization period" means each year of the award period and the four years immediately following each year of the award period.

(11) "Vermont gross wages and salaries" means Medicare wages as reported on Federal Tax Form W-2 to the extent those wages are Vermont wages, excluding income from nonstatutory stock options.

(12) "Wage threshold" means the minimum amount of annualized Vermont gross wages and salaries a business must pay for a qualifying job, as required by the Council in its discretion, but not less than:

(A) 60 percent above the State minimum wage at the time of application; or

(B) for a business located in a labor market area in which the average annual unemployment rate is higher than the average annual unemployment rate for the State, 40 percent above the State minimum wage at the time of application.

§ 32. APPLICATION; APPROVAL CRITERIA; GUIDELINES

(a) Application.

(1) A business may apply for an incentive in one or more years of an award period by submitting an application to the Council in the format the Council specifies for that purpose.

(2) For each award year the business applies for an incentive, the business shall:

(A) specify a payroll performance requirement;

(B) specify a jobs performance requirement or a capital investment performance requirement, or both; and

(C) provide any other information the Council requires to evaluate the application under this subchapter.

(b) Mandatory criteria. The Council shall not approve an application unless it finds:

(1) Except as otherwise provided for an enhanced incentive for a business in a qualifying labor market area under section 34 of this title, the new revenue the proposed activity generates to the State exceeds the costs of the activity to the State.

(2) The host municipality welcomes the new business.

(3) The proposed economic activity conforms to applicable town and regional plans.

(4) If the business proposes to expand within a limited local market, an incentive would not give the business an unfair competitive advantage over other Vermont businesses in the same or similar line of business and in the same limited local market.

(5) But for the incentive, the proposed economic activity:

(A) would not occur; or

(B) would occur in a significantly different manner that is significantly less desirable to the State.

§ 33. CALCULATING THE VALUE OF AN INCENTIVE

Except as otherwise provided for an enhanced incentive for a business in a qualifying labor market area under section 34 of this title, an enhanced incentive for an environmental technology business under section 35 of this title, or an enhanced incentive for workforce training under section 36 of this title, the Council shall calculate the value of an incentive for an award year as follows:

(1) Calculate new revenue growth. To calculate new revenue growth, the Council shall use the cost-benefit model created pursuant to section 26 of this title to determine the amount by which the new revenue generated by the proposed economic activity to the State exceeds the costs of the activity to the State.

(2) Calculate the business's potential share of new revenue growth. Except as otherwise provided for an environmental technology business in section 35 of this title, to calculate the business's potential share of new revenue growth, the Council shall multiply the new revenue growth determined under subdivision (1) of this subsection by 80 percent.

(3) Calculate the incentive percentage. To calculate the "incentive percentage," the Council shall divide the business's potential share of new revenue growth by the sum of the business's annual payroll performance requirements.

(4) Calculate qualifying payroll. To calculate qualifying payroll, the Council shall subtract from the payroll performance requirement the projected value of background growth in payroll for the proposed economic activity.

(5) Calculate the value of the incentive. To calculate the value of the incentive, the Council shall multiply qualifying payroll by the incentive percentage.

(6) Calculate the amount of the annual installment payments. To calculate the amount of the annual installment payments, the Council shall:

(A) divide the value of the incentive by five; and

(B) adjust the value of the first installment payment so that it is proportional to the actual number of days that new qualifying employees are employed in the first year of hire.

§ 34. ENHANCED INCENTIVE FOR A BUSINESS IN A QUALIFYING LABOR MARKET AREA

(a) The Council may increase the value of an incentive for a business that is located in a labor market area in which:

(1) the average annual unemployment rate is greater than the average annual unemployment rate for the State; or

(2) the average annual wage is less than the average annual wage for the State.

(b) In each calendar year, the amount by which the Council may increase the value of all incentives pursuant to this section is:

(1) \$1,500,000.00 for one or more initial approvals; and

(2) \$1,000,000.00 for one or more final approvals.

(c) The Council may increase the cap imposed in subdivision (b)(2) of this section by not more than \$500,000.00 upon application by the Governor to, and approval of, the Joint Fiscal Committee.

(d) In evaluating the Governor's request, the Committee shall consider the economic and fiscal condition of the State, including recent revenue forecasts and budget projections.

(e) The Council shall provide the Committee with testimony, documentation, company-specific data, and any other information the Committee requests to demonstrate that increasing the cap will create a unique opportunity for return on investment to the State.

§ 35. ENHANCED INCENTIVE FOR ENVIRONMENTAL TECHNOLOGY BUSINESS

(a) As used in this section, an "environmental technology business" means a business that:

(1) is subject to income taxation in Vermont; and

(2) seeks an incentive for economic activity in Vermont that the Secretary of Commerce and Community Development certifies is primarily research, design, engineering, development, or manufacturing related to one or more of the following:

(A) waste management, including waste collection, treatment, disposal, reduction, recycling, and remediation;

(B) natural resource protection and management, including water and wastewater purification and treatment, air pollution control and prevention or remediation, soil and groundwater protection or remediation, and hazardous waste control or remediation;

(C) energy efficiency or conservation;

(D) clean energy, including solar, wind, wave, hydro, geothermal, hydrogen, fuel cells, waste-to-energy, or biomass.

(b) The Council shall consider and administer an application from an environmental technology business pursuant to the provisions of this subchapter, except that:

(1) the business's potential share of new revenue growth shall be 90 percent; and

(2) to calculate qualifying payroll, the Council shall:

(A) determine the background growth rate in payroll for the applicable business sector in the award year;

(B) multiply the business's full-time payroll for the award year by 20 percent of the background growth rate; and

(C) subtract the product from the payroll performance requirement for the award year.

§ 36. ENHANCED INCENTIVE FOR WORKFORCE TRAINING

(a) A business whose application is approved may elect to claim the incentive specified for an award year as an enhanced training incentive by:

(1) notifying the Council of its intent to pursue an enhanced training incentive and dedicate its incentive funds to training through the Vermont Training Program; and

(2) applying for a grant from the Vermont Training Program to perform training for one or more new employees who hold qualifying jobs.

(b) If a business is awarded a grant for training under this section, the Agency of Commerce and Community Development shall disburse grant funds for on-the-job training of 75 percent of wages for each employee in training or 75 percent of trainer expense, and the business shall be responsible for the remaining 25 percent of the applicable training costs.

(c) A business that successfully completes its training shall submit a written certificate of completion to the Agency of Commerce and Community Development which shall notify the Department of Taxes.

(d) Upon notification by the Agency, and if the Department determines that the business has earned the incentive for the award year, it shall:

(1) disburse to the business a payment in an amount equal to 25 percent of the cost for training expenses pursuant to subsection (b) of this section;

(2) disburse to the Agency of Commerce and Community Development a payment in an amount equal to 25 percent of the cost for training expenses pursuant to subsection (b) of this section; and

(3) disburse the remaining value of the incentive in annual installments pursuant to section 37 of this title.

§ 37. EARNING AN INCENTIVE

(a) Earning an incentive; installment payments.

(1) A business with an approved application earns the incentive specified for an award year if, within the applicable time period provided in this section, the business:

(A) maintains or exceeds its base payroll and base employment;

(B) meets or exceeds the payroll performance requirement specified for the award year; and

(C) meets or exceeds the jobs performance requirement specified for the award year, or the capital investment performance requirement specified for the award year, or both.

(2) A business that earns an incentive specified for an award year is eligible to receive an installment payment for the year in which it earns the incentive and for each of the next four years in which the business:

(A) maintains or exceeds its base payroll and base employment;

(B) maintains or exceeds the payroll performance requirement specified for the award year; and

(C) if the business earns an incentive by meeting or exceeding the jobs performance target specified for the award year, maintains or exceeds the jobs performance requirement specified for the award year.

(b) Award year one.

(1) For award year one, a business has from the date it commences its proposed economic activity through December 31 of that year, plus two additional years, to meet the performance requirements specified for award year one.

(2) A business that does not meet the performance requirements specified for award year one within this period becomes ineligible to earn incentives for the award year and for all remaining award years in the award period.

(c) Award years two and three.

(1) For award year two and award year three, beginning on January 1 of the award year, a business has three years to meet the performance requirements specified for the award year.

(2) A business that does not meet the performance requirements specified for award year two or for award year three within three years becomes ineligible to earn incentives for the award year and for all remaining award years in the award period.

(d) Extending the earning period in award years one and two. Notwithstanding subsection (b) of this section:

(1) Upon request, the Council may extend the period to earn an incentive for award year one or award year two if it determines:

(A) a business did not earn the incentive for the award year due to facts or circumstances beyond its control; and

(B) there is a reasonable likelihood the business will earn the incentive within the extended period.

(2) The Council may extend the period to earn an incentive:

(A) for award year one, by two years, reviewed annually; or

(B) for award year two, by one year.

(3) If the Council extends the period to earn an incentive, it shall recalculate the value of the incentive using the cost-benefit model and shall adjust the amount of the incentive as is necessary to account for the extension.

(e) Award year four.

(1) Beginning on January 1 of award year four, a business that remains eligible to earn incentives has two years to meet the performance requirements specified for award year four.

(2) A business that does not meet the performance requirements specified for award year four within two years becomes ineligible to earn incentives for award year four and award year five.

(f) Award year five.

(1) Beginning on January 1 of award year five, a business that remains eligible to earn incentives has one year to meet the performance requirements specified for award year five.

(2) A business that does not meet the performance requirements specified for award year five by the end of that award year becomes ineligible to earn the incentive specified for that award year.

(g) Carrying forward growth that exceeds targets. If a business exceeds one or more of the payroll performance requirement, the jobs performance requirement, or the capital investment performance requirement specified for an award year, the business may apply the excess payroll, excess jobs, and excess capital investment toward the performance requirement specified for a future award year, provided that the business maintains the excess payroll, excess jobs, or excess capital investment into the future award year.

§ 38. CLAIMING AN INCENTIVE; ANNUAL FILING WITH DEPARTMENT OF TAXES

(a) On or before April 30 following each year of the utilization period, a business with an approved application shall submit an incentive claim to the Department of Taxes.

(b) A business shall include the information the Department requires, including the information required in section 5842 of this title and other documentation concerning payroll, jobs, and capital investment necessary to determine whether the business earned the incentive specified for an award year and any installment payment for which the business is eligible.

(c) The Department may consider an incomplete claim to be timely filed if the business files a complete claim within the additional time allowed by the Department in its discretion.

(d) Upon finalizing its review of a complete claim, the Department shall:

(1) notify the business and the Council whether the business is entitled to an installment payment for the applicable year; and

(2) make an installment payment to which the business is entitled.

§ 39. RECAPTURE; REDUCTION; REPAYMENT

(a) Recapture.

(1) The Department of Taxes may recapture the value of one or more installment payments a business has claimed, with interest, if:

(A) the business fails to file a claim as required in section 38 of this title; or

(B) during the utilization period, the business experiences:

(i) a 90 percent or greater reduction from base employment; or

(ii) if it had no jobs at the time of application, a 90 percent or greater reduction from the sum of its job performance requirements.

(2) If the Department determines that a business is subject to recapture under subdivision (1) of this subsection, the business becomes ineligible to earn or claim an additional incentive or installment payment for the remainder of the utilization period.

(3) Notwithstanding any other statute of limitations, the Department may commence a proceeding to recapture amounts under subdivision (1) of this subsection as follows:

(A) under subdivision (1)(A) of this subsection, no later than three years from the last day of the utilization period; and

(B) under subdivision (1)(B) of this subsection, no later than three years from date the business experiences the reduction from base employment, or three years from the last day of the utilization period, whichever occurs first.

(b) Reduction; recapture. If a business fails to make capital investments that equal or exceed the sum of its capital investment performance requirements by the end of the award period:

(1) The Department shall:

(A) calculate a reduced incentive by multiplying the combined value of the business's award period incentives by the same proportion that the business's total actual capital investments bear to the sum of its capital investment performance requirements; and

(B) reduce the value of any remaining installment payments for which the business is eligible by the same proportion.

(2) If the value of the installment payments the business has already received exceeds the value of the reduced incentive, then:

(A) the business becomes ineligible to claim any additional installment payments for the award period; and

(B) the Department shall recapture the amount by which the value of the installment payments the business has already received exceeds the value of the reduced incentive.

§ 40. REPORTING

(a) On or before September 1 of each year, the Vermont Economic Progress Council and the Department of Taxes shall submit a joint report on the incentives authorized in this subchapter to the House Committees on Ways and Means, on Commerce and Economic Development, and on Appropriations, to the Senate Committees on Finance, on Economic Development, Housing and General Affairs, and on Appropriations, and to the Joint Fiscal Committee.

(b) The Council and the Department shall include in the joint report:

(1) the total amount of incentives authorized during the preceding year;

(2) with respect to each business with an approved application:

(A) the date and amount of authorization;

(B) the calendar year or years in which the authorization is expected to be exercised;

(C) whether the authorization is active; and

(D) the date the authorization will expire; and

(3) the following aggregate information:

(A) the number of claims and incentive payments made in the current and prior claim years;

(B) the number of qualifying jobs; and

(C) the amount of new payroll and capital investment.

(c) The Council and the Department shall present data and information in the joint report in a searchable format.

(d) Notwithstanding any provision of law to the contrary, an incentive awarded pursuant to this subchapter shall be treated as a tax expenditure for purposes of chapter 5 of this title.

§ 41. CONFIDENTIALITY OF PROPRIETARY BUSINESS INFORMATION

(a) The Vermont Economic Progress Council and the Department of Taxes shall use measures to protect proprietary financial information, including reporting information in an aggregate form.

(b) Information and materials submitted by a business concerning its income taxes and other confidential financial information shall not be subject to public disclosure under the State's public records law in 1 V.S.A. chapter 5, but shall be available to the Joint Fiscal Office or its agent upon authorization of the Joint Fiscal Committee or a standing committee of the General Assembly, and shall also be available to the Auditor of Accounts in connection with the performance of duties under section 163 of this title; provided, however, that the Joint Fiscal Office or its agent and the Auditor of Accounts shall not disclose, directly or indirectly, to any person any proprietary business information or any information that would identify a business except in accordance with a judicial order or as otherwise specifically provided by law.

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

§ 42. ANNUAL PROGRAM CAP

(a) In each calendar year the Vermont Economic Progress Council may approve one or more incentives under this subchapter, the total value of which shall not exceed:

(1) \$15,000,000.00 for one or more initial approvals; and

(2) \$10,000,000.00 for one or more final approvals.

(b) The Council may increase the cap imposed in subdivision (a)(2) of this section by not more than \$5,000,000.00 upon application by the Governor to, and approval of, the Joint Fiscal Committee.

(c) In evaluating the Governor's request, the Committee shall consider the economic and fiscal condition of the State, including recent revenue forecasts and budget projections.

(d) The Council shall provide the Committee with testimony, documentation, company-specific data, and any other information the Committee requests, to demonstrate that increasing the cap will create a unique opportunity for return on investment to the State.

Sec. H.2. 10 V.S.A. § 531(d)(2) is amended to read:

(2) disburse grant funds only for training hours that have been successfully completed by employees; provided that, except for an award under an enhanced ~~training~~ incentive for workforce training as provided in ~~32 V.S.A. § 5930b(h)~~ 32 V.S.A. § 36, a grant for on-the-job training shall either provide not more than 50 percent of wages for each employee in training; or not more than 50 percent of trainer expense, but not both, and further provided that training shall be performed in accordance with a training plan that defines the subject of the training, the number of training hours, and how the effectiveness of the training will be evaluated; and

Sec. H.3. 21 V.S.A. § 1314(e)(1) is amended to read:

(e)(1) Subject to such restrictions as the Board may by regulation prescribe, information from unemployment insurance records may be made available to any public officer or public agency of this or any other state or the federal government dealing with the administration or regulation of relief, public assistance, unemployment compensation, a system of public employment offices, wages and hours of employment, workers' compensation, misclassification or miscoding of workers, occupational safety and health, or a public works program for purposes appropriate to the necessary operation of those offices or agencies. The Commissioner may also make information available to colleges, universities, and public agencies of the State for use in connection with research projects of a public service nature, and to the Vermont Economic Progress Council with regard to the administration of

~~32 V.S.A. chapter 151, subchapter 11E~~ 32 V.S.A. chapter 2, subchapter 2; but no person associated with those institutions or agencies may disclose that information in any manner that would reveal the identity of any individual or employing unit from or concerning whom the information was obtained by Commissioner.

* * *

Sec. H.4. 32 V.S.A. § 3102(e)(11) is amended to read:

(11) To the Joint Fiscal Office or its agent, provided that the disclosure relates to a successful business applicant under ~~section 5930a~~ chapter 2, subchapter 2 of this title and the ~~tax~~ incentive it has claimed and is reasonably necessary for the Joint Fiscal Office or its agent to perform the duties authorized by the Joint Fiscal Committee or a standing committee of the General Assembly under ~~subsection 5930a(h)~~ that subchapter; to the Auditor of Accounts for the performance of duties under section 163 of this title; to the Department of Economic Development for the purposes of subsection 5922(f) of this title; and to the Vermont Economic Progress Council, provided that the disclosure relates to a successful business applicant under ~~sections 5930a and 5930b~~ chapter 2, subchapter 2 of this title and the ~~tax~~ incentive it has claimed and is reasonably necessary for the ~~council~~ Council to perform its duties under ~~sections 5930a and 5930b~~ that subchapter.

Sec. H.5. 32 V.S.A. § 5401(10) is amended to read:

(10) “Nonresidential property” means all property except:

* * *

~~(H) Real property, excluding land, consisting of unoccupied new facilities, or unoccupied facilities under renovation or expansion, owned by a business that has obtained the approval of the Vermont Economic Progress Council under section 5930a of this title that is less than 75 percent complete, not in use as of April 1 of the applicable tax year, and for a period not to exceed two years. [Repealed.]~~

~~(I) Real property consisting of the value of remediation expenditures incurred by a business that has obtained the approval of the Vermont Economic Progress Council under section 5930a of this title for the construction of new, expanded or renovated facilities on contaminated property eligible under the redevelopment of contaminated properties program pursuant to 10 V.S.A. § 6615a(f), including supporting infrastructure, on sites eligible for the United States Environmental Protection Agency “Brownfield Program,” for a period of 10 years. [Repealed.]~~

* * *

Sec. H.6. 32 V.S.A. § 5404a is amended to read:

§ 5404a. TAX STABILIZATION AGREEMENTS; TAX INCREMENT
FINANCING DISTRICTS

(a) Tax agreements and exemptions affecting the education property tax grand list. A tax agreement or exemption shall affect the education property tax grand list of the municipality in which the property subject to the agreement is located if the agreement or exemption is:

(1) A prior agreement, meaning that it was:

(A) a tax stabilization agreement for any purpose authorized under 24 V.S.A. § 2741 or comparable municipal charter provisions entered into or proposed and voted by the municipality before July 1, 1997, or a property tax exemption adopted by vote pursuant to chapter 125 of this title or comparable municipal charter provisions before July 1, 1997; or

(B) an agreement relating to property sold or transferred by the New England Power Company of its Connecticut River system and its facilities along the Deerfield River which was warned before September 1, 1997.

(2) A tax stabilization agreement relating to industrial or commercial property entered into under 24 V.S.A. § 2741, or comparable municipal charter provisions ~~or an exemption for the purposes of economic development adopted by vote under sections 3834 (factories; quarries; mines), 3836 (private homes and dwellings), 3837 (airports), or 3838 (hotels) of this title or comparable municipal charter provisions after June 30, 1997 if subsequently approved by the Vermont Economic Progress Council pursuant to this subsection and section 5930a of this title. An agreement or exemption may be approved by the Vermont Economic Progress Council only if it has first been approved by the municipality in which the property is located with respect to the municipal tax liability of the property in that municipality. Any agreement or exemption approved by the Vermont Economic Progress Council may not affect the education tax liability of the property in a greater proportion than the agreement or exemption affects the municipal tax liability of the property. A municipality's approval of an agreement or exemption under this subsection may be made conditional upon approval of the agreement or exemption by the Vermont Economic Progress Council. The legislative body of the municipality in which the property subject to the agreement or exemption is located or the business that is subject to the agreement or exemption may request the Vermont Economic Progress Council to approve an agreement or exemption pursuant to section 5930a of this title. The Council shall also report to the General Assembly on the terms of the agreement or exemption, and the effect of the agreement or exemption on the education property tax grand list of the~~

~~municipality and of the State. If so approved by the Council, an agreement or exemption shall be effective to reduce the property tax liability of the municipality under this chapter beginning April 1 of the year following approval.~~

(3) An agreement relating to affordable housing, which ~~may be submitted to the council for its approval under subdivision (2) of this subsection, or alternatively~~ may be approved under this subdivision by the Commissioner of Taxes upon recommendation of the Commissioner of Housing and Community Affairs provided the agreement provides either for new construction housing projects or rehabilitated preexisting housing projects and secures federal financial participation which may include projects financed with federal low income housing tax credits.

* * *

(b) An agreement affecting the education property tax grand list defined under subsection (a) of this section shall reduce the municipality's education property tax liability under this chapter for the duration of the agreement or exemption without extension or renewal, and for a maximum of 10 years; ~~subject to the provisions of subsection 5930b(f) of this title.~~ A municipality's property tax liability under this chapter shall be reduced by any difference between the amount of the education property taxes collected on the subject property and the amount of education property taxes that would have been collected on such property if its fair market value were taxed at the equalized nonresidential rate for the tax year.

(c) Tax agreements not affecting the education property tax grand list. A tax agreement shall not affect the education property tax grand list if it is:

(1) A tax exemption adopted by vote of a municipality after July 1, 1997 under chapter 125 of this title, or voted under a comparable municipal charter provision or other provision of law for property owned by nonprofit organizations used for public, pious, or charitable purposes, ~~other than economic development exemptions voted under section 3834, 3836, 3837, or 3838 of this title and approved by the Vermont Economic Progress Council,~~ or exemptions of property of a nonprofit volunteer fire, rescue, or ambulance organization adopted by vote of a municipality.

(2) A tax stabilization agreement relating to agricultural property, ~~forest land~~ forestland, open space land, or alternate energy generating plants entered into after July 1, 1997 by a municipality under 24 V.S.A. § 2741.

(3) A tax stabilization agreement relating to commercial or industrial property entered into after July 1, 1997 by a municipality under 24 V.S.A. § 2741, ~~or a property tax exemption for purposes of economic development~~

~~adopted by vote after July 1, 1997, which has not been approved by the Vermont Economic Progress Council to affect the education grand list under subsection (a)(2) of this section and section 5930a of this title. In granting tax stabilization agreements for commercial or industrial property under 24 V.S.A. § 2741, a municipality shall consider any applicable guidelines established for the approval of such stabilization agreements by the Vermont Economic Progress Council established in subsection 5930a(e) of this title.~~

* * *

Sec. H.7. 32 V.S.A. § 5813 is amended to read:

§ 5813. STATUTORY PURPOSES

* * *

(u) ~~The statutory purpose of the Vermont employment growth incentive~~ Vermont Employment Growth Incentive Program in section 5930b chapter 2, subchapter 2 of this title is to provide a cash incentive to encourage quality job growth in Vermont.

* * *

Sec. H.8. 32 V.S.A. § 5930ll(a)(1) is amended to read:

(1) ~~“Full-time job” has the same meaning as defined in subdivision 5930b(a)(9) of this title~~ means a permanent position filled by an employee who works at least 35 hours per week.

Sec. H.9. 32 V.S.A. § 9741(39) is amended to read:

(39) Sales of building materials within any three consecutive years in excess of one million dollars in purchase value, ~~which may be reduced to \$250,000.00 in purchase value upon approval of the Vermont Economic Progress Council pursuant to section 5930a of this title,~~ used in the construction, renovation, or expansion of facilities which are used exclusively, except for isolated or occasional uses, for the manufacture of tangible personal property for sale.

Sec. H.10. REPEAL

32 V.S.A §§ 30–42 (Vermont Employment Growth Incentive Program) shall be repealed on July 1, 2020.

Sec. H.11. VERMONT EMPLOYMENT GROWTH INCENTIVE

TECHNICAL WORKING GROUP

(a) On or before August 15, 2016, the Joint Fiscal Committee shall convene a Vermont Employment Growth Incentive Technical Working Group composed of the following:

(1) the State legislative economist;

(2) the State executive economist;

(3) a policy analyst from the Agency of Commerce and Community Development;

(4) an economic and labor market information chief from the Department of Labor;

(5) a fiscal analyst from the Department of Taxes; and

(6) the Executive Director of the Vermont Economic Progress Council, who shall serve as a nonvoting ex officio member of the Group.

(b) The Technical Working Group shall review technical questions relating to the Vermont Employment Growth Incentive Program cost-benefit model and shall review whether the Program can integrate the use of business-specific background growth rates in addition to, or in place of, industry-specific background growth rates; and, if industry-specific background growth rates are recommended, a methodology to review, calculate, and set those rates routinely.

(c) On or before January 15, 2017, the Working Group shall report its findings, conclusions, recommendations, and supporting data for legislative action to the House Committees on Commerce and Economic Development, on Ways and Means, and on Appropriations, and to the Senate Committees on Economic Development, Housing and General Affairs, on Finance, and on Appropriations.

Sec. H.12. VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM REVIEW; AUDITOR OF ACCOUNTS

(a) The Auditor of Accounts shall conduct a complete program review of the Vermont Employment Growth Incentive Program, including:

(1) a detailed review and analysis of the enhanced incentives available under the program,

(2) whether and how to include a mechanism in the Program for equity investments in incentive recipients or to recoup incentive payments in the event an incentive recipient is sold;

(3) the size, industry, and profile of the businesses that historically have experienced, and are forecasted to experience, the most growth in Vermont, and whether the Program can be more targeted to these businesses;

(4) changes to the Program to ensure incentives will benefit the creation and growth of more small businesses;

(5) the extent to which the Program increases job opportunities for employees who are residents of Vermont;

(6) whether the cost-benefit model is the most current and appropriate tool for evaluating fiscal impacts of the Program, whether it is effectively utilized, and for those applicants who assert that but for the incentive the scale or timing of the project would change, how to appropriately account for those changes when running the model;

(7) growth in the environmental technology sector in Vermont, as defined in the enhanced incentive for environmental technology business, and whether growth in this sector obviates the need for the enhancements;

(8) enhanced incentives for businesses located in a qualifying labor market area, whether differential rates in average annual wages or unemployment are an appropriate triggers for an enhancement, whether the State should forego most or all of the net fiscal benefit under the enhancement, and instances of awards where the triggering rates of unemployment or wages is within the margin of error; and

(9) reporting requirements and transparency in reporting and publicly available information.

(b) On or before October 1, 2019, the Auditor shall report his or her findings, conclusions, recommendations, and supporting data for legislative action to the House Committees on Commerce and Economic Development, on Ways and Means, and on Appropriations, and to the Senate Committees on Economic Development, Housing and General Affairs, on Finance, and on Appropriations.

Sec. H.13. VERMONT EMPLOYMENT GROWTH INCENTIVE; REVIEW;
SMALL BUSINESS GROWTH

(a) The Vermont Economic Progress Council, in collaboration with the Department of Labor, shall review:

(1) the size, industry, and profile of the businesses that historically have experienced, and are forecasted to experience, the most growth in Vermont, and whether the Program can be more targeted to these businesses; and

(2) changes to the Program to ensure incentives will benefit the creation and growth of more small businesses.

(b) On or before January 15, 2017, the Council shall report its findings, conclusions, recommendations, and supporting data for legislative action to the House Committees on Commerce and Economic Development, on Ways and Means, and on Appropriations, and to the Senate Committees on Economic Development, Housing and General Affairs, on Finance, and on Appropriations.

Second: By striking out Sec. M.1 in its entirety and inserting in lieu thereof:

Sec. M.1. [Reserved.]

Third: In Sec. Q.1, by striking out subsections (b)–(c) in their entirety and inserting in lieu thereof new subsections (b)–(c) to read:

(b) The following sections shall take effect on July 1, 2016:

(1) Secs. C.1–C.2 (regional planning and development).

(2) Sec. D.1 (Vermont Training Program).

(3) Secs. F.1–F.9 (Vermont State Treasurer).

(4) Secs. H.11–H.13 (VEGI; technical working group; auditor; review).

(5) Sec. I.1 (blockchain technology).

(6) Sec. J.1 (Internet-based lodging accommodations study).

(7) Secs. K.1–K.3 (State Workforce Development Board).

(8) Secs. L.1–L.3 (Vermont Creative Network).

(9) Sec. M.2 (employee ownership).

(10) Secs. N.1–N.3 (Veterans Entrepreneurship Program).

(11) Secs. O.1–O.2 (Vermont Sustainable Jobs Fund).

(12) Secs. P.1–P.2 (southern Vermont economic development).

(c) The following sections shall take effect on July 1, 2017:

(1) Secs. E.1–E.2 (conversion, merger, share exchange, and domestication of a corporation).

(2) Secs. H.1–H.10 (Vermont Employment Incentive Growth Program).

(Committee Vote 9-0-2)

Rep. Keenan of St. Albans City, for the Committee on **Appropriations**, recommends the bill ought to pass when amended as recommended by the Committee on **Ways & Means** and when further amended as follows:

First: In Secs. L.2 and L.3 by striking out “\$50,000.00” and inserting in lieu thereof \$35,000.00

Second: In Sec. M.2 by striking out “\$50,000.00” and inserting in lieu thereof \$35,000.00 and in subsection (a), by striking out the matter following “cooperative” until the final period

(Committee Vote: 11-0-0)

Amendment to be offered by Rep. Ancel of Calais to the recommendation of amendment of the Committee on Ways & Means to H. 868

First: In Sec. H.1, in 32 V.S.A. § 34(e), by striking out the words “a unique” and inserting in lieu thereof “an”

Second: In Sec. H.1, in 32 V.S.A. § 42(d), by striking out the words “a unique” and inserting in lieu thereof “an”

Third: In Sec. H.11 (VEGI technical working group) by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read:

(b) The Technical Working Group shall review technical questions relating to the Vermont Employment Growth Incentive Program cost-benefit model, including a review of whether the Program can integrate the use of business-specific background growth rates in addition to, or in place of, industry-specific background growth rates; and if industry-specific background growth rates are recommended, a methodology to review, calculate, and set those rates routinely.

Fourth: By striking out Secs. H.12–H.13 in their entirety and inserting in lieu thereof a new H.12 to read:

Sec. H.12. VERMONT EMPLOYMENT GROWTH INCENTIVE; REVIEW

(a) The Vermont Economic Progress Council shall review the following policy questions relating to the Vermont Employment Growth Incentive Program:

(1) whether and how to include a mechanism in the Program for equity investments in incentive recipients or to recoup incentive payments in the event an incentive recipient is sold;

(2) the size, industry, and profile of the businesses that historically have experienced, and are forecasted to experience, the most growth in Vermont, and whether the Program can be more targeted to these businesses; and

(3) changes to the Program to ensure incentives will benefit the creation and growth of more small businesses.

(b) On or before January 15, 2017, the Council shall report its findings, conclusions, recommendations, and supporting data for legislative action to the House Committees on Commerce and Economic Development, on Ways and Means, and on Appropriations, and to the Senate Committees on Economic Development, Housing and General Affairs, on Finance, and on Appropriations.

Amendment to be offered by Rep. Masland of Thetford to H. 868

That the bill be amended by inserting a new Sec. Q.1 to read as follows:

Sec. Q.1. CROSS BORDER STUDY; REPORT

(a) On or before January 15, 2017, the Legislative Economist shall perform a study and submit a report to the Governor and the General Assembly on the relative long-term economic costs and benefits of Vermont and New Hampshire policies affecting business competitiveness, individual cost of living, and State revenues, including:

(1) relative costs and impacts on the pattern of retailing, the location of retail activity, and retail market share;

(2) relative costs and impacts of retail sales tax rates, income tax rates, and other broad-based taxes;

(3) relative regulatory costs and impacts associated with land use development;

(4) relative regulatory costs and impacts on sales and revenues from alcoholic beverages and tobacco products;

(5) relative regulatory costs and impacts on requirements governing solid waste disposal, recycling, and bottle redemption; and

(6) relative regulatory costs and impacts attributable to generally applicable business regulations.

(b)(1) For the purposes of this section, the Legislative Economist shall have the legal assistance of the Office of Legislative Council and shall have administrative, fiscal, and technical assistance of the Joint Fiscal Office.

(2) The Joint Fiscal Office shall bear the costs of the study and report required by this section from the amounts appropriated to it in fiscal year 2017.

Second: By redesignating the existing Sec. Q.1 as Sec. R.1

Third: In the new Sec. R.1, by inserting a subdivision (a)(5) to read as follows:

(a)(5) Sec. Q.1 (cross border study).

Amendment to be offered by Rep. Browning of Arlington to H. 868

First: By adding a Sec. H.14 to read:

Sec. H.14. 32 V.S.A. § 5930b(j) is added to read:

(j) Vermont Employment Growth Incentive eligibility; water quality.

(1) The Council shall require that an applicant applying for an incentive, and the Department of Taxes shall require that an applicant filing a claim for an incentive, under pains and penalties of perjury, to certify that the applicant is in good standing with the Agency of Natural Resources and the Agency of Agriculture, Food and Markets.

(2) The Council and the Department shall allow for an attachment or include space for an applicant who cannot certify under subdivision (1) of this subsection to explain the circumstances surrounding the applicant's inability to certify under subdivision (1) of this subsection.

(3) At any time following approval of an application for an incentive, an applicant shall notify the Council and the Department if the applicant is no longer in good standing with the Agency of Natural Resources or the Agency of Agriculture, Food and Markets.

(4) The Council and the Department may consider an applicant's certification or explanation under subdivision (1) of this subsection in determining whether or not to approve an application for an incentive or a claim for an incentive.

(5) If an applicant knowingly provides a false certification or explanation or fails to notify the Council and the Department if the applicant is no longer in good standing with the Agency of Natural Resources or the Agency of Agriculture, Food and Markets, the Department may:

(A) seek to recover the incentive; and

(B) deny any future incentive to the applicant, based on the false certification or explanation or failure to notify, for up to five years.

(6) In recovering an incentive under this section, the State or its agencies or departments shall be entitled to costs and expenses, including attorney's fees.

(7) As used in this subsection:

(A) “Applicant” shall include all entities, including businesses in which the applicant has a greater than 10 percent interest, or land owned or controlled by the applicant.

(B) “Good standing” means the applicant:

(i) is not a named party in any administrative order, consent decree, or judicial order relating to Vermont water quality standards issued by the State or any of its agencies or departments; and

(ii) is in compliance with all federal and State water quality laws and regulations.

Second: In Sec. H.1 by adding a § 43 to read:

§ 43. VERMONT EMPLOYMENT GROWTH INCENTIVE ELIGIBILITY;
WATER QUALITY.

(a) As used in this section:

(1) “Applicant” shall include all entities, including businesses in which the applicant has a greater than 10 percent interest, or land owned or controlled by the applicant.

(2) “Good standing” means the applicant:

(A) is not a named party in any administrative order, consent decree, or judicial order relating to Vermont water quality standards issued by the State or any of its agencies or departments; and

(B) is in compliance with all federal and State water quality laws and regulations.

(b) The Council shall require that an applicant applying for an incentive, and the Department of Taxes shall require that an applicant filing a claim for an incentive, under pains and penalties of perjury, to certify that the applicant is in good standing with the Agency of Natural Resources and the Agency of Agriculture, Food and Markets.

(c) The Council and the Department shall allow for an attachment or include space for an applicant who cannot certify under subsection (b) of this section to explain the circumstances surrounding the applicant’s inability to certify.

(d) At any time following approval of an application for an incentive, an applicant shall notify the Council and the Department if the applicant is no

longer in good standing with the Agency of Natural Resources or the Agency of Agriculture, Food and Markets.

(e) The Council and the Department may consider an applicant's certification or explanation under subsection (b) of this section in determining whether or not to approve an application for an incentive or a claim for an incentive.

(f) If an applicant knowingly provides a false certification or explanation or fails to notify the Council and the Department if the applicant is no longer in good standing with the Agency of Natural Resources or the Agency of Agriculture, Food and Markets, the Department may:

(A) seek to recover the incentive; and

(B) deny any future incentive to the applicant, based on the false certification or explanation or failure to notify, for up to five years.

(g) In recovering an incentive under this section, the State or its agencies or departments shall be entitled to costs and expenses, including attorney's fees.

Third: In Sec. H.10 by striking out "42" and inserting in lieu thereof 43

Fourth: In Sec. Q.1 by adding a subsection (e) to read:

(e) Sec. H.14 shall take effect on July 1, 2016 and shall be repealed on July 1, 2017.

S. 171

An act relating to eligibility for pretrial risk assessment and needs screening

Rep. Rachelson of Burlington, for the Committee on **Judiciary**, recommends that the House propose to the Senate that the bill be amended as follows:

In Sec. 1, 13 V.S.A. § 7554c, in subdivision (d)(2), by striking out "voluntarily agreed to participate in a risk assessment or needs screening post-arraignment"

and inserting in lieu thereof "completed a risk assessment or needs screening"

(Committee vote: 11-0-0)

(For text see Senate Journal February 9, 2016)

NOTICE CALENDAR
Favorable with Amendment

H. 870

An act relating to telecommunications.

(Rep. Carr of Brandon will speak for the Committee on **Commerce & Economic Development**.)

Rep. Wood of Waterbury, for the Committee on **Corrections & Institutions**, recommends the bill ought to pass when amended as follows:

That the bill be amended by striking out Sec. 4 in its entirety and inserting in lieu thereof a new Sec. 4 to read as follows:

Sec. 4. FY 2017 CAPITAL APPROPRIATION; CONNECTIVITY
INITIATIVE

The sum of \$750,000.00 is appropriated to the Connectivity Initiative, established in 30 V.S.A. § 7515b, from the FY17 Capital Budget Adjustment Act.

(Committee Vote 10-0-1)

Rep. Keenan of St. Albans City, for the Committee on **Appropriations**, recommends the bill ought to pass when amended as recommended by the Committee on **Corrections & Institutions**.

(Committee Vote: 11-0-0)

Rep. Young of Glover, for the Committee on **Ways & Means**, recommends the bill ought to pass when amended as recommended by the Committee on **Corrections & Institutions** and when further amended as follows:

First: By striking out Sec. 4 (capital appropriation for Connectivity Initiative) in its entirety

Second: In Sec. 5, 30 V.S.A. § 7523, in subsection (b), by striking out “2020” and inserting in lieu thereof “2021”

Third: By striking out Sec. 10 in its entirety and inserting in lieu thereof a new Sec. 10 to read as follows:

Sec. 10. PROPOSAL; SCHOOL CONNECTIVITY GRANT PROGRAM

On or before December 1, 2016, the Secretary of Education and the Director of Telecommunications and Connectivity shall propose to the General Assembly in the form of a draft bill a school connectivity grant program

designed to provide competitive grants to public schools for capital costs associated with upgrading the Internet connection to a public school or purchasing hardware for infrastructure for internal Internet connections. The goal of the program is to ensure that the maximum Internet service available to the school is accessible by all personnel and students on school grounds, consistent with and supportive of educational policies and objectives. Proposed criteria shall prioritize rural communities having a percentage of households categorized as low-income that is higher than the State average, and shall seek to maximize the availability of federal matching funds.

Fourth: By adding a new Sec. 11 and a readers' assistance to read as follows:

* * * Miscellaneous Provisions; Telecommunications

Grant Programs * * *

Sec. 11. RECOVERY AND REPURPOSING OF TELECOMMUNICATIONS GRANT FUNDS

To the extent State funds are recovered by the Department of Public Service, as the successor in interest to the Vermont Telecommunications Authority (VTA), as the result of a grant recipient's failure to comply with the terms of a grant agreement entered into with the VTA, such public monies shall be deposited in the Connectivity Fund.

Fifth: By adding a new Sec. 12 to read as follows:

Sec. 12. HIGH-COST PROGRAM; PUBLIC SERVICE BOARD; DEADLINE

The Public Service Board shall issue a procedures order for implementation of the High-Cost Program established under 30 V.S.A. § 7515 not later than September 1, 2016. If the Board fails to do so, the Board shall provide a report to the General Assembly and the Governor detailing reasons for failing to comply with this mandate.

and by renumbering all sections to be numerically correct

(Committee Vote: 7-4-0)

Amendment to be offered by Reps. Hooper of Montpelier and Keenan of St. Albans City to H. 870

That the bill be amended in Sec. 3, 30 V.S.A. § 7515b, subsection (e), regarding the Connectivity Initiative, by adding subdivision (10) to read as follows:

(10) a telecommunications service provider's performance with respect to the terms of a publicly-financed grant or loan awarded by a federal or State entity for the expansion of broadband or mobile telecommunications service in Vermont.

Amendment to be offered by Rep. Masland of Thetford to H. 870

That the bill be amended by adding Sec. 10a and a reader assistance to read as follows:

* * * Communications Union Districts; Budget; Hearing;
Date Changes * * *

Sec. 10a. 30 V.S.A. § 3075 is amended to read:

§ 3075. BUDGET

(a) Annually, ~~not later than September 15~~ on or before October 21, the board shall approve and cause to be distributed to the legislative body of each district member for review and comment an annual report of its activities, together with a financial statement, a proposed district budget for the next fiscal year, and a forecast presenting anticipated year-end results. The proposed budget shall include reasonably detailed estimates of:

- (1) deficits and surpluses from prior fiscal years;
- (2) anticipated expenditures for the administration of the district;
- (3) anticipated expenditures for the operation and maintenance of any district communications plant;
- (4) payments due on obligations, long-term contracts, leases, and financing agreements;
- (5) payments due to any sinking funds for the retirement of district obligations;
- (6) payments due to any capital or financing reserve funds;
- (7) anticipated revenues from all sources; and
- (8) such other estimates as the board deems necessary to accomplish its purpose.

(b) Coincident with a regular meeting thereof, the board shall hold a public hearing ~~not later than November 1~~ on or before November 15 of each year to receive comments from the legislative bodies of district members and hear all other interested persons regarding the proposed budget. Notice of such hearing shall be given to the legislative bodies of district members at least ~~30 days~~ 15

days prior to such hearing. The board shall give consideration to all comments received and make such changes to the proposed budget as it deems advisable.

(c) Annually, ~~not later than December 1~~ on or before December 15, the board shall adopt the budget and appropriate the sums it deems necessary to meet its obligations and operate and carry out the district's functions for the next ensuing fiscal year.

(d) Actions or resolutions of the board for the annual appropriations of any year shall not cease to be operative at the end of the fiscal year for which they were adopted. Appropriations made by the board for the various estimates of the budget shall be expended only for such estimates, but by majority vote of the board the budget may be amended from time to time to transfer funds between or among such estimates. Any balance left or unencumbered in any such budget estimate, or the amount of any deficit at the end of the fiscal year, shall be included in and paid out of the operating budget and appropriations in the next fiscal year. All such budget amendments shall be reported by the district treasurer to the legislative bodies of each district member within 14 days of the end of the fiscal year.

(e) Financial statements and audit results shall be delivered to the legislative bodies of each district member within 10 days of delivery to the board.

Amendment to be offered by Rep. Ancel of Calais to H. 870

First: In Sec. 1, 30 V.S.A. § 248a, in subdivision (c)(3)(A), concerning collocation assessments, by striking out the term "a three-mile radius of the site of" and by inserting in lieu thereof "the area to be served by"

Second: In Sec. 1, 30 V.S.A. § 248a, after the ellipses following subsection (c) and prior to subsection (h), by adding the following:

(e) Notice. No less than 45 60 days prior to filing an application for a certificate of public good under this section, the applicant shall serve written notice of an application to be filed with the Board pursuant to this section to the legislative bodies and municipal and regional planning commissions in the communities in which the applicant proposes to construct or install facilities; the Secretary of Natural Resources; the Secretary of Transportation; the Division for Historic Preservation; the Commissioner of Public Service and its Director for Public Advocacy; the Natural Resources Board if the application concerns a telecommunications facility for which a permit previously has been issued under 10 V.S.A. chapter 151; and the landowners of record of property adjoining the project sites. In addition, at least one copy of each application shall be filed with each of these municipal and regional planning commissions.

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

(2) On the request of the municipal legislative body or the planning commission, the applicant shall attend a public meeting with the municipal legislative body or planning commission, or both, within the ~~45-day~~ 60-day notice period before filing an application for a certificate of public good. The Department of Public Service shall attend the public meeting on the request of the municipality. The Department shall consider the comments made and information obtained at the meeting in making recommendations to the Board on the application and in determining whether to retain additional personnel under subsection (o) of this section.

(3) With the notice required under this subsection, the applicant shall include a written assessment of the collocation requirements of subdivision (c)(3) of this section, as they pertain to the applicant's proposed telecommunications facility. On the request of the municipal legislative body or the planning commission, the Department of Public Service, pursuant to its authority under subsection (o) of this section, shall retain an expert to review the applicant's collocation assessment and to conduct further independent analysis, as necessary. Within 45 days of receiving the applicant's notice and collocation assessment, the Department shall report its own preliminary findings and recommendations regarding collocation to the applicant and to all persons required to receive notice of an application for a certificate of public good under this subsection (e).

* * *

Senate Proposal of Amendment

H. 531

An act relating to aboveground storage tanks

The Senate proposes to the House to amend the bill as follows:

First: In Sec. 1, 10 V.S.A. § 1929a (c)(4), after the semicolon by striking out the word “and” and in subdivision (5), by striking out the period at the end of the subdivision and inserting in lieu thereof the following: ; and and by adding a new subdivision (6) to read as follows:

(6) requirements for the reuse of an aboveground storage tank removed under the requirement of subsection (g) of this section.

Second: In Sec. 1, 10 V.S.A. § 1929a, by striking out subsection (g) in its entirety and inserting in lieu thereof a new subsection (g) to read as follows:

(g) If the owner of any aboveground storage tank that serves a structure converts the type of fuel used for the structure from fuel oil or kerosene to natural gas so that the structure is no longer served for any purpose by the aboveground storage tank, the owner shall have the aboveground storage tank used to store fuel oil or kerosene and any fill pipes removed at the same time as the conversion. As used in this subsection, “structure” means any assembly of materials that is intended for occupancy or use by a person and that has at least three walls and a roof.

(For text see House Journal March 16, 2016)

Consent Calendar

Concurrent Resolutions

The following concurrent resolutions have been introduced for approval by the Senate and House and will be adopted automatically unless a Senator or Representative requests floor consideration before the end of the session of the next legislative day. Requests for floor consideration in either chamber should be communicated to the Secretary’s office and/or the House Clerk’s office, respectively. For text of resolutions, see Addendum to House Calendar and Senate Calendar.

H.C.R. 316

House concurrent resolution honoring Zachariah Fike and his Purple Hearts Reunited organization

H.C.R. 317

House concurrent resolution honoring the Vermont Network Against Domestic and Sexual Violence on its 30th anniversary

H.C.R. 318

House concurrent resolution congratulating the Vermont Agency of Transportation on receiving a \$10 million federal Transportation Infrastructure Generating Economic Recovery grant to help complete the western rail corridor from Rutland to Burlington

H.C.R. 319

House concurrent resolution congratulating the 2016 College of St. Joseph Lady Saints United States Collegiate Athletic Association Division II championship women’s basketball team

H.C.R. 320

House concurrent resolution designating April 5, 2016 as National Service Day in Vermont

H.C.R. 321

House concurrent resolution commemorating the bicentennial anniversary of the former Concord Corner Congregational Church building

H.C.R. 322

House concurrent resolution commemorating former President Calvin Coolidge's historic 1928 presidential trip to Cuba

H.C.R. 323

House concurrent resolution congratulating the 2016 U-32 High School Raiders Division II championship boys' ice hockey team

H.C.R. 324

House concurrent resolution congratulating the 2016 Bellows Free Academy–St. Albans Bobwhites Division I championship boys' hockey team

H.C.R. 325

House concurrent resolution recognizing all Vermont firefighters, police officers, and emergency medical service (EMS) personnel for the professional level of service they provide to their communities

H.C.R. 326

House concurrent resolution congratulating the American Tree Farm System on its 75th anniversary

H.C.R. 327

House concurrent resolution honoring the entrepreneurship of Maple Sugar & Vermont Spice in Mendon

H.C.R. 328

House concurrent resolution congratulating the 2016 U-32 High School Division II girls' championship Nordic ski team

H.C.R. 329

House concurrent resolution congratulating Vermont Law School on the inauguration of its solar energy project