

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Ways and Means to which was referred House Bill
3 No. 738 entitled “An act relating to technical and administrative changes to
4 Vermont’s tax laws” respectfully reports that it has considered the same and
5 recommends that the House concur in the Senate proposal of amendment with
6 further proposals of amendment as follows:

7 First: By adding a new section to be Sec. 19a to read as follows:

8 Sec. 19a. REPORT; GRANT-FUNDED BROADBAND NETWORK

9 ASSETS

10 On or before January 15, 2023, the Vermont Community Broadband Board
11 shall submit a written report to the Senate Committees on Finance, on
12 Appropriations, and on Economic Development, Housing and General Affairs
13 and the House Committees on Commerce and Economic Development, on
14 Ways and Means, on Energy and Technology, and on Appropriations that
15 analyzes 30 V.S.A. § 8086(c)(3), particularly with regard to the removal of the
16 requirement that ownership of grant-funded network assets be transferred to
17 the State if a grantee materially fails to comply with the terms and conditions
18 of a grant. The Board shall review all financing contracts or agreements
19 entered into by a communications union district on or after May 11, 2022 and
20 make a determination as to whether publicly funded network assets are at risk
21 of privatization due to financial insolvency or default under the terms and

1 conditions of such contracts or agreements and whether additional statutory
2 requirements should be enacted to protect the State’s broadband investments.

3 Second: In Sec. 20, 30 V.S.A. § 8086(h), by striking out subdivision (h)(1)
4 in its entirety and inserting in lieu thereof a new subdivision (h)(1) to read as
5 follows:

6 (h)(1) The Board shall require a communications union district that
7 borrow funds for the purpose of financing a broadband project to immediately
8 provide written notice to the Board in the event the communications union
9 district becomes aware that it is at risk of financial insolvency or of defaulting
10 on the payment of principal or interest on a loan when due. The Board, in turn,
11 shall promptly provide written notice to the Governor, the Treasurer, and the
12 Joint Fiscal Committee of such risk of insolvency or default and shall include
13 in its notification a description of any potential ramifications of the insolvency
14 or default under the terms and conditions of the applicable loan.

15 Third: In Sec. 28, effective dates, by striking out subsection (a) in its
16 entirety and inserting in lieu thereof the following:

17 (a) This section and Secs. 19a (report; grant-funded broadband network
18 assets) and 27a and 27b (sales and use tax exemption; menstrual products)
19 shall take effect on passage.

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1 (Committee vote: _____)

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Representative _____

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FOR THE COMMITTEE