

1 Sec. X. 30 V.S.A. § 8086(c)(3) is amended to read:

2 (3) establish standards for recouping grant funds and transferring
3 ownership of grant-funded network assets ~~to the State~~ if a grantee materially
4 fails to comply with the terms and conditions of a grant;

5 Sec. Y. 30 V.S.A. § 8086(h) is added to read:

6 (h)(1) The Board shall require a communications union district that
7 borrowes 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 defaulting on the payment of
10 principal or interest on a loan when due. The Board, in turn, shall promptly
11 provide written notice to the General Assembly, or to the Joint Fiscal
12 Committee if the General Assembly is not in session, of such risk of default
13 and shall include in its notification a description of any potential ramifications
14 of the default under the terms and conditions of the applicable loan.

15 (2) If a communications union district defaults on the payment of principal
16 or interest on a loan secured by grant-funded network assets, such assets may
17 not be transferred or sold for a period of 180 calendar days commencing on the
18 day the loan became past due. To the extent reasonably practicable, it is the
19 intent of the General Assembly that publicly-owned network assets remain
20 publicly-owned assets.