

H.313

An act relating to near-term and long-term economic development

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. FINDINGS

The general assembly finds that:

(1) During the 2007 legislative session, the legislature, in No. 182 of the Acts of the 2007 Adj. Sess. (2008), instructed the commission on the future of economic development to complete a public engagement process, develop specific goals and, with input and validation by the economists of the executive and legislative branches, benchmarks.

(2) The commission sought expert testimony, reviewed numerous studies, and conducted a rigorous public engagement process to identify the elements needed for successful economic development in Vermont. The commission distilled four principal goals and identified a benchmarking process for future economic development in Vermont that are the most critical to the state's future prosperity and the welfare of its citizens.

(3) The four principal goals emerged from two and one-half years of the commission's study of Vermont's economy and the public policies that advance and impede economic development. The goals are interdependent and

interconnected, and they must all be addressed if Vermont is to reach its economic development promise.

(4) The implementation of the goals is the joint task of the legislature, the administration, our local, regional, and state agencies, our nongovernmental organizations, and our citizens. State economists have concluded that the goals cannot be adequately evaluated with a small set of simplistic benchmarks, but rather, must be evaluated through a wide range of indicators using statistical benchmarks accompanied by a narrative that is a contextual interpretation of the data by professionals. Ultimately, consistent monitoring of credible benchmarks will provide information on both the efficacy and cost-effectiveness of our public policies and strategies so that necessary adjustments can be made to continually improve Vermont's economic prosperity.

(5) In the course of its work, the commission on the future of economic development reviewed many reports on and evaluations of economic development polices and heard many hours of testimony from a broad spectrum of Vermonters who expressed concerns about the economic challenges facing Vermonters, identified what they perceived as impediments to economic development in Vermont, spoke about Vermont's assets and strengths, and offered many good suggestions for public policies and strategies for growing our economy. The commission traveled to 12 regions of the state

to hear from local business leaders, community organizations, and the public, and spoke with representatives of the public and private sectors, traditional and emerging business sectors, educators, and financial experts.

(6) The commission heard that businesses are hindered by the lack of a sufficient number of technically skilled workers, and that some educational institutions are reluctant to see themselves as engines of economic development. Existing technical training, apprenticeship opportunities, and workforce development efforts are valued, but insufficient to meet the needs of Vermont businesses in preparing workers for the workplace.

(7) The commission heard that Vermonters are concerned over perceived inefficiencies and redundancies in our state and local regulatory and permitting programs and a lack of coordination between state regulatory agencies. It is the legislature's intent to promote a nimble and efficient permitting process that is both protective of Vermont's natural and aesthetic resources and responsive to the needs of potential entrepreneurs and investors.

(8) Vermonters are also very concerned over the deterioration of our physical infrastructure, in particular state transportation systems, and the reliability and cost of energy.

(9) The commission also heard that Vermonters are concerned about the current and future health of our economy and understand that our government's policies affect our economy in both positive and negative ways.

They lack confidence that Vermont's government has a clear vision of the future, and they worry that our government does not appear to have a coherent plan to overcome the challenges we face or to recognize and capitalize on our unique strengths and opportunities. Recent deterioration of state, national, and global economic conditions has given our work a greater sense of urgency.

(10) Vermont is a small rural state, smaller than other states in almost every aspect. The commission found that Vermont's scale can become an asset in this fast-paced global economy that rewards flexibility and agility. However, while our government agencies are small, they are not nimble, and our policies often impede economic opportunity at the expense of Vermonters' quality of life. The commission determined that significant restructuring of agencies and policies could increase efficiency and effectiveness.

(11) Despite its small scale and accessible government, Vermont lacks a shared statewide vision of its economic future. Economic vitality in Vermont is hampered by the lack of coordination among and between state agencies, between regional economic development corporations and regional planning commissions, and between these regional entities and state agencies. As a result of these disconnects, Vermont lacks a single, holistic, integrated state plan for economic development. Additionally, coordinated regional input is imperative for an effective, nimble, and integrated statewide economic development plan. Strong regional development organizations and regional

planning commissions are critical partners and resources. Our citizens and business and civic leaders consistently recognize Vermont's small scale and easy access to our government as a potential strength, but observe that we have often failed to take advantage of the opportunities that our smallness offers us.

(12) Vermonters are struggling to secure basic needs such as health care, child care, affordable housing, and quality education. These basic needs are prerequisites to, rather than the product of, economic development. Employers recognize that the health and well-being of our workforce are critical to business success. Worker recruitment, retention, and productivity depend on worker quality of life as measured by wages, health care, child care, housing, connected communities, and a healthy environment.

(13) In addition to providing for these basic needs, an essential role of government is investing in our digital, physical, and human infrastructure as the foundation for all successful economic development. Funding, building, and maintaining our state's infrastructure is one of the highest priorities for the investment of state resources.

(14) The lack of adequate and reliable broadband and cellular infrastructure and access across the state not only impedes the growth of existing and new business in Vermont, but may induce existing businesses to relocate to other states that have better access to broadband and cellular

service. Digital infrastructure benefits include government cost savings, increased productivity, and improved quality of life for Vermonters.

(15) The availability of mobile telecommunications and broadband services is essential for promoting the economic development of the state, the education of its young people and life-long learning, the delivery of cost-effective health care, the public safety, and the ability of citizens to participate fully in society and civic life.

(16) Small broadband enterprises now offering broadband service in Vermont have limited access to financial capital necessary for expansion of broadband service to unserved areas of the state.

(17) Telecommunications and broadband infrastructure in all areas of the state should continue to be upgraded to reflect the rapid evolution in the capabilities of available mobile telecommunications and broadband technologies and services that are needed by persons, businesses, and institutions in the state.

(18) The state should continue to ensure the most efficient use of both public and private resources through state policies by encouraging the development of open access telecommunications infrastructure that can be shared by multiple service providers.

(19) The Vermont telecommunications authority has made significant progress toward, and should continue going forward as the primary vehicle for,

achieving the goal of realizing universal availability of adequate mobile telecommunications and broadband services, with a focus on unserved areas in the state.

(20) Vermonters' ingenuity, work ethic, and entrepreneurship have long been viewed as competitive assets. Our rapidly evolving economy requires a collaborative partnership of business people, educators, representatives from nongovernmental organizations, and government leaders to provide a skilled workforce to traditional and emerging Vermont businesses, and to enhance career opportunities to all Vermonters.

(21) The strength of our state economy is dependent upon a diversity of business sectors. Despite difficult economic conditions, the state should exercise leadership and creativity in continuing its support of traditional economic drivers such as tourism, agriculture, forestry, construction, and manufacturing, among others.

(22) Tourism has a stabilizing effect on Vermont's economy by insulating the state's residents from the inevitable ups and downs of national and global business cycles, while providing individuals and their families with a diverse set of earning possibilities and challenging occupations that fit into their lifestyle and family situation. Vermont should continue to support this critical component of its economy.

(23) State government should lead by example in supporting local- and state-based economic strategies that are not protectionist, but rather, build on the proud Vermont tradition of self-reliance. Initiatives such as Local First, the department of agriculture's Buy Local program, and state and local government procurement policies for food, goods, and services that give priority to Vermont businesses when possible, each enhance the Vermont economy through the demonstrated multiplier effects of buying local.

(24) Vermont is home to a vibrant manufacturing sector, which consists of many businesses producing specialized and innovative products. Nationwide, manufacturing accounts for the majority of product and service innovation, and businesses whose competitive advantage flows from innovative and unique products and services, rather than low-cost or high volume, enjoy significantly increased profitability and generate more job opportunities and tax revenue. State government's role should be to support this dynamic manufacturing base, and to provide the necessary training, education, and resources to cultivate a culture of innovation.

(25) In addition to traditional economic drivers, there are new, unique, and innovative Vermont businesses that are successfully competing in the global marketplace that need to be nurtured. There is broad consensus that Vermont can further leverage its brand, including its green reputation, into



economic gain. Our entrepreneurial people, healthy environment, and connected communities – our quality of life – are genuine economic assets.

(26) Vermont’s reputation for environmental stewardship can be turned to our advantage. Vermont businesses, government, and environmental organizations must be partners and leaders in supporting and creating a green economic sector and the use of green business practices throughout our diverse economy.

(27) Microenterprise also plays an important role in our state’s economy and within the working lives of low to moderate income families.

Microenterprises develop new industries, increase community assets, are important providers of goods and services in local communities, find unique solutions to local problems, and keep profits circulating locally.

Microenterprise provides economic opportunity for low income households and is a proven wealth creation strategy for struggling communities.

(28) Microenterprises often require access to training, services, financing, and support that are different from what small businesses require in order to grow and prosper. Microenterprise financing options and business training and technical assistance are equally important and work together to support microenterprise development.

(29) Research by the Center for Rural Studies at the University of Vermont shows that microenterprise ownership, whether full time or part time,

increases income for low income Vermonters, helps people move out of poverty and off public assistance, and helps low income households build assets.

(30) Individual development accounts are a proven strategy for helping low income families move out of poverty and secure an economic foothold through home purchase, business development, and education and training. The Vermont IDA program enables low income Vermonters, over 60 percent of whom have been or are currently TANF recipients, to save a part of their earned income for a first-time home, a small business, or postsecondary education or training. The Vermont IDA program helps participants increase their commitment to their communities and offers stability to their families.

(31) The legislature, administration, and myriad economic and community partners must now work together with unerring discipline to focus policies, regulations, programs, and incentives on the critical interconnection between Vermont's assets, our collective values, our capabilities, and the opportunities which will increase state revenues and the prosperity of all Vermonters.

Sec. 2. PURPOSE; POLICY STATEMENTS FOR FEDERAL STIMULUS  
COLLABORATION AND FUTURE UTILIZATION OF  
ECONOMIC DEVELOPMENT RESOURCES

(a) The purpose of this act is to promote the economic development of the state and the prosperity of its businesses and citizens by creating a framework for near-term and long-term collaboration among and within industry sectors and government in order to achieve the four principal goals established by the commission on the future of economic development.

(b) In the near term, this act seeks to promote the most coordinated and efficient means to capitalize on federal stimulus funds. The American Reinvestment and Recovery Act of 2009 (“ARRA”) provides economic development resources that are available to the state, its subdivisions, and the private sector. In order to realize the full potential of these funds, and in order to most effectively increase the opportunities for Vermonters to benefit from the ARRA, the director of Vermont’s office of economic stimulus and recovery (“VOESR”) shall, to the extent possible: coordinate efforts to obtain funds under the ARRA; oversee the use of those funds received by or through the state; and, collect information on the use of funds awarded to Vermont recipients.

(c) Recipients of ARRA formula fund allocations and applicants for ARRA competitive grants shall collaborate to the extent possible to present unified proposals for funding. The VOESR shall provide support to applicants and recipients of ARRA funds to develop unified proposals, and priority shall be given to those programs that achieve multiple economic development goals

simultaneously and demonstrate broad geographic benefits. Where applicable, potential beneficiaries shall use best efforts to structure programs so as to maximize eligibility for ARRA funds, and the VOESR shall give priority to those programs that are structured to maximize ARRA eligibility.

(d) The ARRA offers competitive grants to stimulate economic development in the areas of agriculture and rural development, broadband and telecommunications, energy efficiency and renewable energy, employment and training, educational technical assistance, redevelopment of abandoned and foreclosed homes, homelessness prevention and housing, and energy-saving and green retrofit investments in elderly, low income, and disability housing. In order to help Vermonters secure competitive grant funding, the VOESR, in coordination with the appropriate agencies of the state, shall be responsible for identifying competitive grant programs relating to the department's or agency's jurisdiction. Each agency shall provide technical and logistical information and support to the VOESR as necessary, and shall connect grant applicants with grant-writing and additional resources and services available from both the VOESR and related public and private resources as appropriate.

(e) In the long term, this act seeks to build a foundation for economic development through collaboration and cooperation among Vermonters for their mutual gain. It is the intent of the general assembly to channel these collaborative efforts for economic development through the principal goals and

benchmarks for economic development identified by the commission on the future of economic development, utilizing both new and existing resources from the state and federal levels to increase prosperity for all Vermonters.

Sec. 2a. ARRA FUNDS; ECONOMIC SECURITY FOR WOMEN

(a) While all Vermonters are suffering from the current economic downturn, research indicates that women and female-headed households are likely to bear a disproportionate share of the hardship. As a result of longstanding discrimination and economic disadvantage, they often have fewer personal assets to sustain them through periods of unemployment, and they tend to feel cutbacks in traditional, public safety-net programs more acutely than men do, particularly in times of economic crisis. The general assembly, therefore, urges that the recession's disparate impact on women and children be taken into consideration in the awarding of federal funds under the American Recovery and Reinvestment Act of 2009, Pub.L. 111-5.

(b) The director of the office of economic stimulus and recovery shall report the number of new jobs created for women and the number of grants awarded to agencies and organizations primarily serving women or women and children to the general assembly on or before January 15, 2010, and at six-month intervals thereafter, until all ARRA funds are disbursed.

Sec. 3. 10 V.S.A. chapter 1 is amended to read:

CHAPTER 1. ~~VERMONT DEVELOPMENT BOARD~~ THE FUTURE OF  
ECONOMIC DEVELOPMENT

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§ 3. ECONOMIC DEVELOPMENT; LONG-TERM GOALS; REVIEW  
AND ASSESSMENT

(a) For purposes of the Vermont Statutes Annotated and state economic development programs and assistance, “economic development” means the process of generating economic wealth and vitality, security, and opportunity for all Vermonters.

(b) There are established the following four principal, interrelated goals for future economic development in Vermont:

(1) Vermont’s businesses, educators, nongovernmental organizations, and government form a collaborative partnership that results in a highly skilled multigenerational workforce to support and enhance business vitality and individual prosperity.

(2) Vermont invests in its digital, physical, and human infrastructure as the foundation for all economic development.

(3) Vermont state government takes advantage of its small scale to create nimble, efficient, and effective policies and regulations that support business growth and the economic prosperity of all Vermonters.

(4) Vermont leverages its brand and scale to encourage a diverse economy that reflects and capitalizes on our rural character, entrepreneurial people, and reputation for environmental quality.

(c)(1) The four principal goals shall be used to guide the design and implementation of each economic development program, policy, or initiative that is sponsored or financially supported by the state, its subdivisions, agencies, authorities, or private partners.

(2) Each legislative or executive act that creates or modifies an economic development program, policy, initiative, or grant of assistance shall promote the principal economic development goals. The enacting authority shall state clear and measurable goals for the program, and shall also demonstrate how the program will promote the four principal goals. The enacting authority shall collaborate with other agencies or entities as necessary to ensure the economic development program, policy, initiative, or grant of assistance promotes the four principal goals.

(d) The department of economic development, department of housing and community affairs, department of tourism and marketing, and the administrative division within the agency of commerce and community

development; the agency of agriculture, food and markets; the office of economic opportunity within the department for children and families; the department of finance and management and the department of information and innovation within the agency of administration; the department of labor; the department of public service; the department of taxes; the Vermont economic development agency; the Vermont economic progress council shall:

(1) By January 15, 2010, identify its own goals, benchmarks, and priorities for promoting economic development that are consistent with and serve to promote the four principal goals.

(2) By January 15 of each year, report to the house committee on commerce and economic development, the senate committee on finance, and the senate committee on economic development, housing and general affairs, on the status of the agency or department's progress in setting and achieving its goals, benchmarks, and priorities and on how the programs, policies, and initiatives undertaken in the previous year have promoted the principal goals. The format for each agency or department report shall be uniform and shall be substantially the same as the model graph presented in the next generation goals and measures report.



(e)(1) The commission on the future of economic development shall work with the economists of the executive and legislative branches and the joint fiscal office to adopt benchmarks for the four principal goals.

(2) Beginning no later than January 15, 2010, and thereafter at least biannually until January 15, 2012, the commission on the future of economic development shall review the principal goals and any benchmarks adopted and shall assess the effectiveness of the goals and benchmarks in promoting economic development.

(3) The commission shall also review and assess the adequacy and success of the specific goals and benchmarks adopted by the agencies and departments required under subsection (d) of this section.

(4) The commission shall annually report to the house committee on commerce and economic development, the senate committee on finance, and the senate committee on economic development, housing and general affairs, concerning its review of the goals, benchmarks, and agency progress pursuant to this subsection.

(5) On or before January 15, 2012, the commission shall recommend to the senate committee on economic development, housing and general affairs, the senate committee on finance, the house committee on commerce and economic development, the house committee on ways and means, and the governor on whether it would promote the best interests of Vermont for the

commission to continue biannual review of the goals and benchmarks, or if a successor to that responsibility should be designated. Notwithstanding any recommendation, the commission shall continue to perform the biannual review unless and until a successor is designated by legislation approved by the legislature and the governor.

\* \* \* Workforce Development \* \* \*

Sec. 4. FINDINGS AND ARRA WORKFORCE DEVELOPMENT

PRIORITIES

(a) The general assembly recognizes numerous hurdles that inhibit workforce opportunities for working families in need of adequate child care, for low income persons, for the disabled, and for the elderly. The department of labor, and other agencies where applicable, shall use ARRA funds allocated to workforce development, including funds for childcare services, to expand employment opportunities to the unemployed, to dislocated workers, to working families, and to low income, disabled, and elderly Vermonters.

(b) The general assembly recognizes the opportunities available to the next generation of Vermonters to secure well-paying and secure jobs in emerging sectors such as energy efficiency and health care, including health care information technology. The department of education, the department of labor, and other agencies where applicable, shall use ARRA funds allocated to

education and workforce development to promote education and job opportunities in these emerging sectors.

(c) Current economic conditions may present an opportunity for unemployed or dislocated workers to innovate and develop new businesses or

products. Where appropriate, the departments of labor and education should use ARRA funds for training and education to aid unemployed or dislocated workers in pursuing product innovations and new business pursuits.

(d) Prior to expending ARRA funds for workforce development or for expenditures that will require additional workforce capacity, the government authority seeking funding shall collaborate with the department of labor to determine that the workforce capacity currently exists, or alternatively, how much capacity will be necessary to implement a program or project. To the extent allowable under the ARRA, the relevant agency shall prioritize expenditures first for training that is necessary to maintain current employment, second for hiring or training unemployed and dislocated workers, and third for promoting new hiring. Priority for workforce training funds shall be given to programs or training that will result in increased worker remuneration or job promotion to the extent allowable.

(e) When pursuing competitive grant funds for workforce development under Title VIII of the ARRA, the VOESR shall coordinate with appropriate government agencies, nonprofit organizations, private businesses, and individuals to secure the maximum amount of resources available to promote workforce development and opportunity for Vermonters.

Sec. 5. Sec. 6 of No. 46 of the Acts of 2007 is amended to read:

Sec. 6. ~~WORKFORCE DEVELOPMENT LEADER; LEADERSHIP~~  
~~COMMITTEE; CREATED~~

(a) ~~The commissioner of labor shall be the leader of workforce development strategy and accountability. The commissioner of labor shall consult with and chair a subcommittee of the workforce development council consisting of the secretary of human services, the commissioner of economic development, the commissioner of education, four business members appointed by the governor, and a higher education member appointed by the governor. Membership on the subcommittee shall be coincident with the members' terms on the workforce development council~~ the workforce development council executive committee in developing the strategy, goals, and accountability measures. The workforce development council shall provide administrative support. ~~The subcommittee~~ executive committee shall assist the leader. The duties of the leader include all the following:

(1) developing a limited number of overarching goals and challenging measurable criteria for the workforce development system that supports the creation of good jobs to build and retain a strong, appropriate, and sustainable economic environment in Vermont;

(2) reviewing reports submitted by each entity that receives funding under Act 46 of the Acts of 2007. The reports shall be submitted on a schedule

determined by the executive committee and shall include all the following information:

\* \* \*

(4) issuing an annual report to the governor and the general assembly on or before December 1, which shall include a systematic evaluation of the accomplishments of the system and the participating agencies and institutions and all the following:

(A) a compilation of the systemwide accomplishments made toward achieving the overarching goals, specific notable accomplishments, innovations, collaborations, grants received, or new funding sources developed by participating agencies, institutions, and other education and training organizations;

(B) ~~an evaluation~~ identification of each provider's contributions toward achieving the overarching goals;

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(b) Entities receiving grants through the workforce education and training fund (WETF) and the Vermont training program (VTP) shall provide the Social Security number of each individual who has successfully completed a training program funded through the WETF and the VTP within 30 days. On or before July 1 of each year, the department of labor shall process the information received within the most recent 12 months and prepare the report

required in subdivision (a)(4) of this section. The report shall include a table that sets forth quarterly wage information received pursuant to 21 V.S.A. § 1314a at least 18 months following the date on which the individuals completed the program of study. The table shall include the number of individuals completing the program, the number of those individuals who are employed in Vermont, and the median quarterly income of those individuals.

(c) Other entities, including public and private institutions of higher education, postsecondary and secondary programs, and other training providers who wish to participate in the process under subsection (b) of this section may do so by making a request in writing to the commissioner of labor who shall make a decision regarding inclusion of such programs and the process for the collection of the necessary data.

(d) Confidentiality. Notwithstanding any other provision of law, the department of labor shall collect the Social Security numbers of students for the purposes of this section. Access to the Social Security numbers provided to the department of labor shall be limited to those department individuals creating the table required in subsection (b) of this section and shall be confidential. The departments shall prepare the table in a way that ensures the confidentiality of all trainee and employer information. A department employee who intentionally communicates or otherwise makes available to the general public a Social Security number collected pursuant to this section or

who otherwise disseminates the number for purposes other than those specified in this section shall be subject to the penalties of the Social Security Number Protection Act, subchapter 3 of chapter 62 of Title 9.

Sec. 6. Sec. 7(a)(3) of No. 46 of the Acts of 2007 (career and alternative workforce education) is amended to read:

(3) Career And Alternative Workforce Education. The amount of \$900,000 is appropriated to the department of labor. Of this appropriation, \$450,000 is from the fiscal year 2007 monies transferred to the next generation initiative fund, and \$450,000 is from the fiscal year 2008 monies transferred to the next generation initiative fund. This appropriation shall be to support out-of-school youth, youth at risk, and youth at risk of remaining unemployed with outcomes that lead to employment or continued education ~~as follows:~~

~~(A) Forty five percent (45%).~~ At least 25 percent of this appropriation shall be for grants to regional technical centers, comprehensive high schools, and other programs for career exploration programs for students entering grades 7 through 12-, and at least 25 percent

~~(B) Fifty five percent (55%)~~ shall be for grants to regional technical centers, comprehensive high schools, the community high school of Vermont, and non-profit organizations, designated by the workforce development council, for alternative and intensive vocational/academic programs for secondary students in order to earn necessary credits toward graduation.



Sec. 7. REPEAL

The following are repealed.

- (1) Sec. 7(d) of No. 46 of the Acts of 2007 (accountability);
- (2) 10 V.S.A. § 543(g) (accountability); and
- (3) Sec. 5.801.1 of No. 192 of the Acts of the 2007 Adj. Sess. (2008).

\* \* \* Vermont Green Job Creation \* \* \*

Sec. 8. GREEN WORKFORCE COLLABORATIVE; STIMULUS MONIES

(a) The workforce development council and the commissioner of labor shall convene a green workforce collaborative as a committee of the council. The purpose of the collaborative is to promote career training and employment opportunities for Vermonters in green industry sectors; maximize the state's use of federal funds under the American Recovery and Reinvestment Act of 2009 (ARRA), Pub.L. No. 111-5; enhance the economic and environmental vitality of the state; and give priority to programs that provide education, training, and other services to target populations of eligible individuals.

(b) Members of the collaborative shall include the career and technical education coordinator within the department of education, as well as representatives of the various workforce training programs within the departments of economic development and of labor, as appropriate, the Vermont Energy Investment Corporation, representatives from Vermont Technical College and other Vermont educational institutions, and

representatives of any other programs or entities pursuing green workforce development in Vermont, as deemed appropriate by the commissioner of labor.

(c) For purposes of this section,

(1) "Green industry sectors" shall include:

(A) The energy-efficient building, construction, and retrofits industries.

(B) The renewable electric power industry.

(C) The energy-efficient and advanced drive train vehicle industry, including performance and low-emission vehicle technology, automotive computer systems, mass transit fleet conversion, and the servicing and maintenance of those technologies.

(D) The biofuels industry.

(E) The deconstruction and materials use and re-use industries.

(F) The energy-efficiency assessment industry serving the residential, commercial, or industrial sectors.

(G) Manufacturers that produce sustainable products using environmentally sustainable processes and materials.

(H) Pollution prevention and hazardous and solid waste reduction.

(I) Soil or water conservation, or forestation strategies to mitigate climate change impacts.

(J) Any other sector deemed appropriate by the green workforce collaborative.

(2) "Target populations" shall include:

(A) Workers impacted by national energy and environmental policy.

(B) Individuals in need of updated training related to the energy efficiency and renewable energy industries.

(C) Veterans, or past and present members of reserve components of the Armed Forces.

(D) Unemployed individuals.

(E) Individuals, including at-risk youth, seeking employment pathways out of poverty and into economic self-sufficiency.

(F) Formerly incarcerated, adjudicated, nonviolent offenders.

(G) Any other populations specifically referenced in Title VIII of ARRA as enacted or as amended subsequent to passage of this act.

(d) In promoting education and training in green industry sectors, the collaborative shall seek to capitalize on existing infrastructure wherever appropriate, including the Center for Sustainable Practices at Vermont Technical College, the Vermont State Colleges, the University of Vermont, the regional technical centers, and the comprehensive high schools.

(e) Funding of programs designed to promote a green workforce in Vermont is a legislative priority with respect to appropriations of

unencumbered federal monies available through the state fiscal stabilization fund under § 14002(a) of Title XIV of Division A of ARRA.

(f) The commissioner of labor shall collaborate with the director of the office of economic stimulus and recovery to secure competitive grants available under Titles IV and VIII of ARRA, and shall further pursue other state or federal workforce training funds available through the Vermont departments of education and of labor, and through the Vermont Energy Investment Corporation.

(g) On June 1, 2009 and again on January 15, 2010, the commissioner of labor shall provide the house committee on commerce and economic development, the senate committee on economic development, housing, and general affairs, and the senate and house committees on natural resources and energy a report detailing a status and needs assessment of green workforce development in Vermont pursuant to this section.

\* \* \* Broadband and Telecommunications \* \* \*

Sec. 9. 30 V.S.A. § 248a is amended to read:

§ 248a. CERTIFICATE OF PUBLIC GOOD FOR MULTIPLE  
COMMUNICATIONS FACILITIES

(a) Notwithstanding any other provision of law, if the applicant ~~in a single application~~ seeks approval for the construction or installation ~~within three years of three or more~~ telecommunications facilities ~~as part of an~~

~~interconnected network~~ which are to be interconnected with other telecommunications facilities proposed or already in existence, the applicant may obtain a certificate of public good issued by the public service board under this section, which the board may grant if it finds that the facilities will promote the general good of the state consistent with subsection 202c(b) of this title. A single application may seek approval of one or more telecommunications facilities.

(b) For the purposes of this section:

(1) “Telecommunications facility” means ~~any~~ a communications facility that transmits and receives signals to and from a local, state, national, or international network used primarily for two-way communications for commercial, industrial, municipal, county, or state purposes and any associated support structure extending more than 50 feet above the ground that is proposed for construction or installation which is primarily for communications purposes and which supports facilities that transmit and receive communications signals for commercial, industrial, municipal, county, or state purposes, and any ancillary improvements which are proposed for construction or installation and which are primarily intended to serve the communications facilities or support structure.

(2) ~~Telecommunications facilities are “part of an interconnected network” if those facilities would allow one or more communications services~~

~~to be provided throughout a contiguous area of coverage created by means of the proposed facilities or by means of the proposed facilities in combination with other facilities already in existence~~ An applicant may seek approval of construction or installation of a telecommunications facility whether or not the telecommunications facility is attached to a preexisting structure.

(c) Before the public service board issues a certificate of public good under this section, it shall find that, ~~in the aggregate:~~

(1) the proposed facilities will not have an undue adverse effect on aesthetics, historic sites, air and water purity, the natural environment, and the public health and safety, with due consideration having been given to the relevant criteria specified in subsection 1424a(d) and subdivisions 6086(a)(1) through (8) and (9)(K) of Title 10; and

(2) unless there is good cause to find otherwise, substantial deference has been given to the land conservation measures in the plans of the affected municipalities and the recommendations of the municipal and regional planning commissions regarding the municipal and regional plans, respectively.

(d) When issuing a certificate of public good under this section, the board shall give due consideration to all conditions in an existing state or local permit and shall harmonize the conditions in the certificate of public good with the existing permit conditions to the extent feasible.

(e) No less than 45 days prior to filing a petition 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 the agency of natural resources; the commissioner of the department of public service and its director for public advocacy; 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. 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.

(f) Unless the public service board identifies that an application raises a substantial issue, the board shall issue a final determination on an application filed pursuant to this section within 90 days of its filing or, if the original filing did not substantially comply with the public service board's rules, within 90 days of the date on which the clerk of the board notifies the applicant that the filing is complete. If the board rules that an application raises a substantial issue, it shall issue a final determination on an application filed pursuant to this section within 180 days of its filing or, if the original filing did not

substantially comply with the public service board's rules, within 180 days of the date on which the clerk of the board notifies the applicant that the filing is complete.

(g) Nothing in this section shall be construed to prohibit an applicant from executing a letter of intent or entering into a contract before the issuance of a certificate of public good under this section, provided that the obligations under that letter of intent or contract are made subject to compliance with the requirements of this section.

(h) An applicant using the procedures provided in this section shall not be required to obtain a local zoning permit or a permit under the provisions of chapter 151 of Title 10 for the facilities subject to the application or to a certificate of public good issued pursuant to this section. Ordinances adopted pursuant to subdivision 2291(19) of Title 24 or a municipal charter that would otherwise apply to the construction or installation of facilities subject to this section are preempted. Disputes over jurisdiction under this section shall be resolved by the public service board, subject to appeal as provided by section 12 of this title.

(i) Effective July 1, 2011, no new application for a certificate of public good under this section may be considered by the board.

(j)(1) The board may, subject to such conditions as it may otherwise lawfully impose, issue a certificate of public good in accordance with the



provisions of this subsection and without the notice and hearings otherwise required by this chapter if the board finds that such facilities will be of limited size and scope, and the petition does not raise a significant issue with respect to the substantive criteria of this section. If an applicant requests approval of multiple telecommunications facilities in a single application under this section, the board may issue a certificate of public good in accordance with the provisions of this subsection for all or some of the telecommunications facilities described in the petition.

(2)(A) Any party seeking to proceed under the procedures authorized by this subsection shall file a proposed certificate of public good and proposed findings of fact with its petition, and provide notice and a copy of the petition, proposed certificate of public good, and proposed findings of fact to the commissioner of the department of public service and its director for public advocacy, the secretary of the agency of natural resources, and each of the legislative bodies and municipal and regional planning commissions in the communities in which the applicant proposes to construct or install facilities. The applicant shall give written notice of the proposed certificate to the landowners of record of property adjoining the project site or sites. Such notice shall request comment to the board within 21 days of the notice on the question of whether the petition raises a significant issue with respect to the substantive criteria of this section. If the board finds that the petition raises a

significant issue with respect to the substantive criteria of this section, the board shall hear evidence on any such issue.

(B) If a party makes a request under the procedures authorized by this subsection and if the board does not find that the petition raises a substantial issue, the board shall issue a final determination on an application filed pursuant to this section within 45 days of its filing or, if the original filing did not substantially comply with the public service board's rules, within 45 days of the date on which the clerk of the board notifies the applicant that the filing is complete.

(C) If the board denies a request to consider an application under the procedures of this subsection, a filing made under this subsection that the board has found to be complete shall be deemed to satisfy notice requirements of subsection (e) of this section, and to have been made 45 days after receipt by the board for purposes of subsections (e) and (f) of this section.

(k) The public service board may issue rules or orders implementing and interpreting this section. In developing such rules and orders, the board shall seek to simplify the application and review process as appropriate, and may by rule or order waive the requirements of this section that the board determines are not applicable to telecommunications facilities of limited size or scope. Determination by the board that a petition raises a substantial issue with regard to one or more substantive criteria of this section shall not prevent the board

from waiving other substantive criteria that it has determined are not applicable to such a telecommunications facility.

\* \* \* Motion Picture Industry; Motion Picture Credit\* \* \*

Sec. 10. SOLICITATION OF MOTION PICTURE INDUSTRY

By July 1, 2009, the agency of commerce and community development shall develop a strategy for marketing Vermont as a potential permanent site for businesses associated with the motion picture industry. The agency shall present its strategy and potential costs and benefits to the house committee on commerce and economic development and the senate committee on economic development, housing and general affairs.

\* \* \* Funding Infusion for Travel and Tourism \* \* \*

Sec. 11. APPROPRIATION

For fiscal year 2010, a supplemental appropriation in the amount of \$500,000.00 is appropriated from the general fund to the department of tourism and marketing, which shall be expended on direct promotional activities to increase tourism throughout Vermont and shall not be used for administrative or overhead costs of the department.

Sec. 12. APPROPRIATION

For fiscal year 2010, a supplemental appropriation in the amount of \$100,000.00 is appropriated from the general fund to the Vermont convention bureau.

\* \* \* Capitalization on Federal Stimulus Funding for Smart Grid,  
Additional State Energy Grants, and Rural Electrification Grants \* \* \*

Sec. 13. FEDERAL FUNDING FOR SMART GRID AND ENERGY

GRANTS; STATE COLLABORATION

It is the intent of the legislature that the department of public service, Vermont utilities, and other interested parties work collaboratively to ensure that Vermont capitalizes on all available funding allocated for research, workforce development, and projects relating to energy efficiency and electric generation, transmission, and distribution under Titles I and IV of Division A of the American Recovery and Reinvestment Act of 2009. Accordingly, to ensure that Vermont accesses and utilizes federal resources under the ARRA to the fullest extent possible:

(1) The department of public service shall investigate and pursue the opportunities for funding of electricity delivery and energy reliability research and projects to implement smart grid technologies, activities, and workforce training made available under Title IV of the ARRA.

(2) The department of public service shall generate a list of projects that are eligible for federal loan and grant funding available from the United States Departments of Agriculture and of Energy under the ARRA, identify the source of the grant funding, and identify the necessary steps for securing grant funds. The department shall work collaboratively with private utilities,

additional government entities as necessary and appropriate, and other interested persons to design and submit grant applications that best position the state to capitalize on available funds.

(3) The governor, the department of public service, the public service board, and relevant state and local governmental entities shall take any and all steps necessary to implement the measures required under section 410 of the American Recovery and Reinvestment Act of 2009 to ensure that Vermont will receive the maximum amount of additional state energy grants available from the United States Department of Energy under part D of Title III of the Energy Policy and Conservation Act.

\* \* \* Small Business Loan Program; Bonding;

Technology Loan Program \* \* \*

Sec. 14. STATE PLEDGE ON BEHALF OF SMALL BUSINESSES

An amount not to exceed \$500,000.00 of the full faith and credit of the state pledged for the support of the activities of the Vermont economic development authority under section 223 of Title 10 is authorized to be used by the authority for loss reserves in the Vermont small business loan program until July 1, 2012.

Sec. 15. 10 V.S.A. § 221(a) is amended to read:

(a) Upon application of the proposed mortgagee, the authority may insure mortgage payments required to repay loans made by the mortgagee for the

purpose of financing the costs of a project, upon such terms and conditions as the authority may prescribe; provided, however, that the total principal obligations of all mortgages insured under this subsection and under subsection (c) of this section outstanding at any one time shall not exceed ~~\$15,000,000.00~~ \$9,000,000.00. Before insuring any mortgage payments hereunder, the authority shall determine and incorporate each of the findings established by this subsection in its minutes. Such findings, when adopted by the authority shall be conclusive.

Sec. 16. 10 V.S.A. § 223 is amended to read:

§ 223. CREDIT OF THE STATE PLEDGED

The full faith and credit of the state is pledged to the support of the activities of the authority under this subchapter. In furtherance of the pledge, the state treasurer is authorized and directed to transfer to the fund, without further approval, first from the indemnification fund and then from available cash in the treasury or from the proceeds of bonds or notes issued under this section, such additional amounts as may be requested from time to time by the authority to enable it to perform all insurance contracts punctually and in accordance with their terms. The authority shall request such transfers from time to time as additional amounts are required for such purposes. The treasurer is authorized and directed, without further approval, to issue full faith and credit bonds of the state, from time to time, in amounts necessary to

support the activities of the authority under this subchapter and subchapter 8 of this chapter, but not to exceed an aggregate of ~~\$35,000,000.00~~ \$10,000,000.00 at any one time outstanding, and to borrow upon notes of the state in anticipation of the proceeds of such bonds. Any bonds under this subchapter shall be issued pursuant to the provisions of chapter 13 of Title 32, except that the approval of the governor shall not be required previous to their issuance by the treasurer.

Sec. 17. 10 V.S.A. § 279b(a) is amended to read:

(a) Upon registration by the authority of an eligible loan, the full faith and credit of the state shall be pledged in an amount equal to the reserve premium payment deposited to the fund by the participating bank in connection with such loan. The aggregate amount of the credit of the state which may be pledged pursuant to the provisions of this subchapter shall not exceed ~~\$2,000,000.00~~ \$1,000,000.00 at any time.

Sec. 18. 10 V.S.A. chapter 12, subchapter 12 is added to read:

Subchapter 12. Technology Loan Program

§ 280aa. FINDINGS AND PURPOSE

(a) Technology-based companies are a vital source of innovation, employment, and economic growth in Vermont. The continued development and success of this increasingly important sector of Vermont's economy is dependent upon the availability of flexible, risk-based capital. Because the primary assets of technology-based companies sometimes consist almost entirely of intellectual property, such companies frequently do not have access to conventional means of raising capital, such as asset-based bank financing.

(b) To support the growth of technology-based companies and the resultant creation of high-wage employment in Vermont, a technology loan program is established under this subchapter.

§ 280bb. TECHNOLOGY LOAN PROGRAM

There is created a technology (TECH) loan program to be administered by the Vermont economic development authority. The program shall seek to meet the working capital and capital-asset financing needs of technology-based companies. The Vermont economic development authority shall establish such policies and procedures for the program as are necessary to carry out the purposes of this subchapter.



§ 280cc. CREDIT OF THE STATE PLEDGED

An amount not to exceed \$1,000,000.00 of the full faith and credit of the state is pledged and authorized to be used by the authority for loss reserves in the TECH loan program established under this subchapter until July 1, 2012.

\* \* \* Microbusiness and Entrepreneurship \* \* \*

Sec. 19. APPROPRIATIONS; USE OF FEDERAL FUNDS

It is the intent of the general assembly to enhance the individual development account program and the microbusiness development program currently administered by the office of economic opportunity using funds available through federal allocations and competitive grants available under Title VIII of the ARRA.

Sec. 20. ECONOMIC OPPORTUNITY STUDIES AND COLLABORATION

The office of economic opportunity, the department of economic development, and a designee of the community action agency directors' association shall conduct a joint study of possible tools to promote the success of individual development accounts and the microbusiness development program. The study shall evaluate:

(1) Innovative microenterprise development funding models to identify ways to fill existing gaps in start-up capital.

(2) A guarantee program or interest buy-down program that encourages private banks to make longer-term, lower-interest fixed rate loans to Community Development Financial Institutions (CDFIs).

(3) A tax credit to business and individuals that donate funds to microenterprise development programs or IDA matched savings and financial education programs, under which the department of economic development would administer tax credits totaling 75 percent of the value of each donation to recognized qualified organizations with an annual statewide maximum for tax credits of \$500,000.00 for contributions.

(4) A policy for collaboration with the Vermont treasurer's office to utilize financial education funding for credit counseling and education.

(5) The feasibility of a first-year tax credit to microenterprises, and a credit or grant to self-employed persons for first-time employee hiring to ease the worker's compensation burden.

(6) The most effective strategy to link the department of education with other public and private efforts to develop and support microbusiness.

(7) The most effective means for reporting to the house committee on commerce and economic development, the house committee on human services, and other committees as appropriate, to ensure sufficient oversight by the legislature over whether funding is serving low income Vermonters and meeting stated economic development and human service goals.

\* \* \* ARRA Appropriation for the Vermont Economic  
Development Authority \* \* \*

Sec. 21. 10 V.S.A. § 291(a) is amended to read:

(a) The Vermont economic development authority shall cause to be formed a private investment equity fund to be named “the Vermont seed capital fund” or “the fund” ~~is authorized~~ for the purpose of increasing the amount of investment capital provided to new Vermont firms or to existing Vermont firms for the purpose of expansion. The authority may contract with one or more persons for the operation of the fund as fund manager. The contract with the fund manager shall contain the terms and conditions pursuant to which the fund shall be managed to meet the fund’s objective of providing seed capital to Vermont firms.

\* \* \* Transfers to the Vermont Economic Development Authority \* \* \*

Sec. 22. APPROPRIATIONS

(a) The amount of \$5,000,000.00 of general funds reserved under Sec. B.1101(a)(1)(A) of H.441 of 2009 shall be transferred to the Vermont seed capital fund, established under 10 V.S.A. § 291, to provide venture capital to Vermont small businesses in the areas of technology, green energy, and agriculture to expand their workforce.

(b) The amount of \$1,000,000.00 of general funds reserved under Sec. B.1101(a)(1)(B) of H.441 of 2009 shall be transferred to the Vermont

Economic Development Authority for the purpose of providing interest rate subsidies.

\* \* \* Enhanced VEGI Program for IT Solutions \* \* \*

Sec. 23. 32 V.S.A. § 5930b(h) is added to read:

(h) Employment growth incentive for information technology solutions business.

(1) For purposes of this subsection, an “information technology solutions business” means a business that is subject to income taxation in Vermont and whose current or prospective economic activity in Vermont for which incentives are sought under this section is certified by the secretary of commerce and community development to be primarily in software development, implementation, and utilization, including:

(A) Research, development, design, marketing, and publication of computer software such as operating systems, user applications, and network applications.

(B) Custom computer software development such as software programming services, software analysis and design services, custom software support services, custom webpage design and development services, web application development, and custom database systems and solutions.

(C) Consultation, implementation, integration, or customization of computer software systems, computer systems, computer networks, or database systems using computer programming services, custom networking technologies, or computer software analysis and design services.

(2) Any application for a Vermont employment growth incentive under this section for an information technology solutions business shall be given priority for authorization equal to priority given to environmental technology business applicants in this section and shall be considered and administered pursuant to all provisions of this section.

\* \* \* Research and Development Tax Credit \* \* \*

#### Sec. 24. RESEARCH AND DEVELOPMENT TAX CREDIT STUDY

The commissioner of economic development shall, no later than January 15, 2010, provide the house committee on ways and means and house committee on commerce and economic development a report regarding the costs and benefits of research and development tax credits modeled under 26 U.S.C.

§ 41. Specifically, the report shall include the following:

- (1) An estimate of new revenue to the state as a result of such credit;
- (2) A plan for allocating the Vermont share of such credit;
- (3) An estimate of the number of jobs created or retained within the state as a result of such credit;

(4) An analysis of whether and how much the use of such credit retains businesses in the state and attracts new businesses to the state.

\* \* \* Buy Local Initiatives \* \* \*

Sec. 25. ENDORSEMENT OF BUY LOCAL AND VERMONT FIRST  
ECONOMIC DEVELOPMENT INITIATIVES

The general assembly expresses its strong support for local and state-based initiatives, such as Local First, Buy Local, community-based initiatives sponsored by local chambers of commerce, and local and state government procurement policies that give priority to locally produced goods and services. These initiatives create a multiplier effect whereby dollars spent by Vermonters within their own communities remain within and significantly strengthen Vermont communities. State and local government should lead by example to promote Vermont based business.

Sec. 26. DEVELOPMENT OF STATEWIDE STRATEGIES TO BENEFIT  
FROM BUY LOCAL AND IN-STATE INITIATIVES

On or before January 15, 2010 the department of agriculture and the agency of commerce and community development shall collaborate and provide a summary report to the house committee on commerce and economic development, the senate committees on finance, and the senate committee on economic development, housing, and general affairs, concerning potential statewide strategies to realize the economic development benefits of buy-local

and in-state initiatives, including recommendations for aligning government procurement policies with these strategies.

Sec. 27. EFFECTIVE DATE

This act shall take effect on passage.