

1 S.219

2 Introduced by Senator Lyons

3 Referred to Committee on

4 Date:

5 Subject: Development; Vermont economic development authority; renewable

6 energy board; grants and loans for renewable energy and energy

7 efficiency projects

8 Statement of purpose: This bill proposes to direct the Vermont economic
9 development authority to provide grants and loans to Vermont renewable
10 energy and energy efficiency projects in collaboration with the clean
11 renewable energy board; and directs the clean renewable energy board to work
12 with the Vermont energy investment corporation to develop other funding
13 sources for renewable energy and energy efficiency projects in Vermont.

14 An act relating to increasing renewable energy and energy efficiency
15 projects in Vermont

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

1 Sec. 1. 10 V.S.A. chapter 12, subchapter 12 is amended to read:

2 Subchapter 12. Technology and Energy Grant and Loan Program

3 § 280aa. FINDINGS AND PURPOSE

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

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

14 (c) In addition, building a clean energy economy is an important
15 component of Vermont's economic future, and it is in the state's interest to
16 provide support to develop clean energy and energy efficiency technologies.
17 However, many promising technologies are not yet competitive in energy
18 markets and may be at higher risk of failure than other technologies.
19 Therefore, the authority shall provide grants and low-interest loans to
20 encourage renewable energy and energy efficiency projects which may be
21 ineligible for a traditional loan due to the risky nature of the project.

1 § 280bb. TECHNOLOGY LOAN PROGRAM

2 There is created a technology (TECH) loan program to be administered by
3 the Vermont economic development authority. The program shall seek to meet
4 the working capital and capital-asset financing needs of technology-based
5 companies. The Vermont economic development authority shall establish such
6 policies and procedures for the program as are necessary to carry out the
7 purposes of this subchapter. The authority's lending criteria shall include
8 consideration of in-state competition and whether a company has made
9 reasonable efforts to secure capital in the private sector.

10 § 280cc. GRANTS AND LOW-INTEREST LOANS FOR RENEWABLE
11 ENERGY AND ENERGY EFFICIENCY PROJECTS

12 (a) The clean energy development board shall solicit applications for
13 low-interest loans for renewable energy and energy efficiency projects of the
14 type the board is directed to promote in subsection 6523(c) of this title. The
15 board shall review the applications and recommend to the authority projects for
16 funding.

17 (b) The authority shall provide grants and low-interest loans to
18 recommended projects which meet lending criteria established by the authority
19 and on terms and conditions developed by the authority.

20 (c) The Vermont economic development authority and the Vermont clean
21 energy board may jointly adopt rules as necessary to implement this section.

1 Sec. 2. CLEAN ENERGY DEVELOPMENT BOARD; VERMONT

2 ENERGY INVESTMENT CORPORATION; STUDY

3 The clean energy development board shall work with the Vermont Energy
4 Investment Corporation to consider methods for funding renewable energy and
5 energy efficiency technologies in Vermont. At a minimum, the board shall
6 consider the potential for raising bonded funds for the purpose of promoting
7 whole building energy efficiency retrofits. The board shall present its
8 recommendations to the senate and house committees on natural resources and
9 energy on or before January 15, 2011.