



VERMONT LEGISLATIVE
Joint Fiscal Office

1 Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • <https://jfo.vermont.gov>

Fiscal Note

March 30, 2022

Patrick Titterton

H.703 – An act relating to promoting workforce development

As passed by the House

<https://legislature.vermont.gov/Documents/2022/WorkGroups/House%20Commerce/Bills/H.703/Drafts,%20Amendments,%20and%20Legal%20Documents/H.703~David%20Hall~Substitute%20Amendment,%20Draft%206.1,%202023-23-2022~3-23-2022.pdf>

Bill Summary

This bill establishes several workforce development programs and updates the scope and funding for existing programs. The bill includes creates or enhances programs with the goals of increasing workforce participation rates, training and retaining nursing and mental health care workers. It also includes scholarships and student loan repayment, networking, learning and up-skilling campaigns, early childhood educator recruitment, and support for internship programs.

Fiscal Summary

The bill appropriates an overall total of \$41.9 million in fiscal year 2023. Of that total, \$39.9 occurs in FY 2023, \$1.0 million in FY 2024 and \$1.0 million in FY 2025. This includes:

- \$18.9 million in General Fund appropriations,
- \$15.0 million in Education Fund appropriations, and
- \$8.0 million in ARPA appropriations.

Table 1 provides more detailed information on the bill's appropriations.

The bill is expected to have no impact on State revenues.

*****Page left intentionally blank*****

Table 1: Overview of all Appropriations

| Section | Program | New Appropriations Amount | Source | Notes |
|---------|---|---------------------------|--------------|--|
| 1 | Immediate Strategies and Funding for Expanding the Labor Force, Increasing the Number of Participants and Participation Rates | \$2,500,000 | General Fund | Appropriates funds to the UVM Office of Engagement in consultation with Vermont Student Assistance Corporation in FY23 to administer a statewide forgivable loan program of \$5,000 per graduate who commits to work in Vermont for two years after graduation. |
| | | \$500,000 | ARPA SFR | Appropriates funds to the State Refugee Office in FY23 to administer grants to refugee or New-American focused programs to support increased in-migration or retention of recent arrivals. |
| | | \$387,000 | General Fund | Appropriates funds to the Vermont Technical College in FY23 to develop a skilled meat cutter training and apprenticeship facility. |
| 3 | Funding and Governance Structures of Career Technical Education in Vermont | \$180,000 | General Fund | Appropriates funds to the Joint Fiscal Office in FY23 to contract services for systematic examination of existing funding structures of CTE, CTE governance structures in relation to funding structures, implication of existing funding and governance structures for K-12 schools and adult education, funding and alignment of early college and dual enrollment, CTE funding and governance structures in other states and to identify and prioritize potential new models of CTE funding and governance structures for Vermont's education funding system. |
| 4 | Investment in the Up-Skilling of Private Sector Employers to Support the Evolution of Business and Organizational Models | \$250,000 | General Fund | Appropriates funds to the Agency of Commerce and Community Development (ACCD) in FY23 to regrant a performance-based contract to the Vermont Professionals of Color Network for business coaching and other training for BIPOC business owners, networking, and career fairs, workshops, and paid internships. |
| 5 | Regional Workforce Expansion System | \$1,500,000 | General Fund | Appropriates funds to the Department of Labor in FY23 for a two-year pilot program to create a coordinated regional system, beginning in three regions of the State, to increase local labor participation rates, decrease the number of open positions, increase worker wages as they transition to new jobs, and collect, organize, develop, and share information related to local career pathways with workforce development partners. |

| Section | Program | New Appropriations Amount | Source | Notes |
|---------|--|---------------------------|----------------|--|
| 6 | Incarcerated Individuals Workforce Development Pilot Program | \$420,000 | General Fund | Appropriates funds to the Department of Corrections in FY23 to address vocational enhancement needs. |
| | | \$300,000 | General Fund | Appropriates funds to the Department of Corrections in FY23 to establish a community-based pilot reentry program at the Chittenden Correctional Facility to provide continuity of services for justice-involved individuals. |
| 12 | Work-based Learning and Training Program | \$1,500,000 | General Fund | Appropriates funds to the Department of Labor in FY23 to implement the Vermont Work-Based Learning and Training Program created in this bill. |
| 14 | Vermont Trades Scholarship Program | \$3,000,000 | General Fund | Appropriates funds to the Vermont Student Assistance Corporation (VSAC) in FY23 for scholarships for trades students under the Vermont Trades Scholarship Program who demonstrate financial need. Creates a scholarship program to be administered by VSAC which will disburse initial licensing fees, exam fees and tuition payments on behalf of eligible individuals. Any funds left over at the end of the year will be rolled over and available to VSAC the following year for scholarships. |
| 15 | Vermont Trades Loan Reimbursement Program | \$500,000 | General Fund | Appropriates funds to VSAC in FY23 to create the Vermont Trades Loan Repayment Reimbursement Program in which VSAC will disburse funds to eligible individuals for loan repayments. For every year of work in qualifying occupations, an individual can receive \$5,000 not to exceed the amount of debt owed. Any funds left over at the end of the year will be rolled over and available to VSAC the following year for loan repayment assistance. |
| 16 | CTE Construction and Rehabilitation Experiential Learning Program; Revolving Loan Fund | \$15,000,000 | Education Fund | Appropriates funds in FY23 to Vermont Housing Conservation Board to create and administer a CTE Construction and Rehabilitation Learning Program and Revolving Loan Fund. The board may not use more than 5 percent of the Fund for the costs of administration. |

| Section | Program | New Appropriations Amount | Source | Notes |
|---------|--|---------------------------|--------------|---|
| 20 | Emergency Grants to Support Nurse Educators | \$3,000,000 | ARPA SFR | <p>Appropriates funds to the Department of Health to provide emergency interim grants to Vermont nursing schools to increase the compensation for their nurse faculty and staff. This is a three-year appropriation that allocates:</p> <ul style="list-style-type: none"> • \$1 million in FY23 • \$1 million in FY24 • \$1 million in FY25 |
| 21 | Nurse Preceptor Incentive Grants; Hospitals; Working Group; Report | \$2,400,000 | General Fund | <p>Appropriates funds to the Agency of Human Services in FY23 to provide incentive grants to hospital-employed nurses in Vermont to serve as preceptors for students enrolled in Vermont nursing school programs. The Agency will distribute the funds to hospitals employing nurses who provide student preceptor supervision based on the number of preceptor hours to be provided, at a rate of \$5.00 per preceptor hour, or a lesser hourly rate if the need exceeds the available funds. The Director of Health Care Reform will convene a working group to identify ways to increase placement opportunities and provide a report based on those findings.</p> |
| 22 | Health Care Employer Nursing Pipeline and Apprenticeship Program | \$3,000,000 | ARPA SFR | <p>Appropriates funds to VSAC in FY23 to provide grants to health care employers to establish or expand partnerships with Vermont nursing schools to create nursing pipeline or apprenticeship programs.</p> |
| 25 | Vermont Nursing Forgivable Loan Incentive Program | \$100,000 | General Fund | <p>Appropriates funds to the Department of Health in FY23 to establish a Vermont Nursing Forgivable Loan Program, which provides forgivable loans for nursing students. Recipients agree to work as a nurse in Vermont for a minimum of one year. Scholarships to be calculated based on financial need.</p> |
| 27 | Vermont Nursing and Physician Assistant Loan Repayment Program | \$2,000,000 | General Fund | <p>Appropriates funds to the Department of Health in FY23 to establish and administer a loan repayment program in coordination with VSAC. Amount is equal to one year of loans for every one year of service as a nurse or physician assistant in the state.</p> |

| Section | Program | New Appropriations Amount | Source | Notes |
|---------|---|---------------------------|--------------|--|
| 29 | Nurse Educator Forgivable Loan and Loan Repayment Program | \$500,000 | ARPA SFR | Appropriates funds to the Department of Health in FY23 to create and administer forgivable loans and loan repayment for students enrolled in an eligible school who commit to working as a nurse educator at a nursing school in Vermont in coordination with VSAC. The amount recipients can receive is equal to the value of one academic year of a full scholarship for every year the individual has worked in the state as a nurse educator. |
| 32 | Agency of Human Services; Health Care Workforce Data Center | \$1,000,000 | ARPA SFR | Appropriates funds to the Office of Health Care Reform in the Agency of Human Services in FY23 to establish and operate the statewide Health Care Workforce Data Center. This program is established to enhance the State's public health data systems, respond to the COVID-19 public health emergency, and improve COVID-19 mitigation and prevention efforts. |
| 34 | Agency of Human Services; Position; Appropriation | \$170,000 | General Fund | Appropriates funds to the Agency of Human Services (AHS), Office Health Care Reform for one classified, three-year limited-service Health Care Workforce Coordinator position at AHS in FY23. The coordinator will focus on building educational, clinical, and housing partnerships and support structures to increase and improve health care workforce training, recruitment, and retention. \$120,000 is for personal services and \$50,000 is for operating expenses. |
| 38 | Pilot Program: Positions Embedded Within Recovery Centers | \$1,290,000 | General Fund | Appropriates funds to the Department of Disabilities, Aging and Independent Living's Division of Vocational Rehabilitation in FY23 to develop and implement a two-year pilot program that embeds 15 FTE limited-service positions within 12 recovery centers across the state. \$540,000 funds 2.5 FTEs at each of two geographically diverse recovery centers. Each of the remaining recovery centers receives \$75,000 to fund one FTE to serve as employment support counselor. |

| Section | Program | New Appropriations Amount | Source | Notes |
|-----------------------------|--|---------------------------|--------------|---|
| 39 | Credential of Value Goal; Public-Private Partnership | \$150,000 | General Fund | Appropriates funds to VSAC in FY23 to fund the work of Advance Vermont to increase awareness of postsecondary education and training, promote a broad understanding of the public good and value in achieving the State's Goal for 70 percent of working-age Vermonters to hold a credential of value by 2025. |
| 40 | Vermont Serve, Learn and Earn Program | \$2,000,000 | General Fund | Appropriates funds to the Department of Forests, Parks and Recreation in FY23 to be granted to VYCC to continue the VT Serve, Learn and Earn Program. Provides the Corps and its partners with the capital and operating funds necessary to support workforce development goals through creating meaningful paid service and learning opportunities for young adults. |
| 45 | Vermont Forest Future Strategic Roadmap | \$250,000 | General Fund | Appropriates funds to the Department of Forests, Parks and Recreation in FY23 to enter a two-year contract for the development of the Vermont Forest Future Strategic Roadmap. The roadmap is meant to strengthen, modernize, promote, and protect the forest products sector in the State. |
| Total Appropriations | | \$41,897,000 | | |
| General Fund | | \$18,897,000 | | |
| Education Fund | | \$15,000,000 | | |
| ARPA | | \$8,000,000 | | |