

1 * * * Vermont Strong Scholars and Internship Initiative * * *

2 Sec. C.1. VERMONT STRONG SCHOLARS LOAN FORGIVENESS

3 FINDINGS; INTENT.

4 The General Assembly finds that the fundamental fairness, integrity, and
5 success of the Vermont Strong Scholars loan forgiveness program under
6 Sec. 11 of this act, whereby graduating high school students will be counseled
7 and encouraged to apply to Vermont schools, take certain courses, graduate
8 and then take certain Vermont jobs, in exchange for student loan forgiveness,
9 is critically dependent on the State providing reliable, sustainable, and
10 adequate funding for the loan forgiveness.

11 Sec. C.2. 16 V.S.A. § 2888 is amended to read:

12 § 2888. VERMONT STRONG SCHOLARS AND INTERNSHIP
13 INITIATIVE

14 (a) Creation.

15 (1) There is created a postsecondary loan forgiveness and internship
16 initiative designed to forgive a portion of Vermont Student Assistance
17 Corporation loans of students employed in ~~economic sectors~~ occupations
18 identified as important to Vermont's economy and to build internship
19 opportunities for students to gain work experience with Vermont employers.

20 (2) The initiative shall be known as the Vermont Strong Scholars and
21 Internship Initiative and is designed to:

1 (A) encourage students to:

2 (i) consider ~~jobs in economic sectors~~ occupations that are critical
3 to the Vermont economy;

4 (ii) enroll and remain enrolled in a Vermont postsecondary
5 institution; and

6 (iii) live and work in Vermont upon graduation;

7 (B) reduce student loan debt for postsecondary ~~education in targeted~~
8 fields degrees involving a course of study related to, and resulting in,
9 employment in target occupations;

10 (C) provide experiential learning through internship opportunities
11 with Vermont employers; and

12 (D) support a ~~pipeline~~ steady stream of qualified talent for
13 ~~employment with~~ Vermont's employers.

14 (b) Vermont Strong Loan Forgiveness Program.

15 (1) ~~Economic sectors~~ Occupations; projections.

16 (A) Annually, on or before November 15, the Secretary of Commerce
17 and Community Development and the Commissioner of Labor, in consultation
18 with the Vermont State Colleges, the University of Vermont, the Association
19 of Vermont Independent Colleges, the Vermont Student Assistance
20 Corporation, the Secretary of Human Services, and the Secretary of Education,

1 shall identify ~~economic sectors~~ occupations, projecting at least four years into
2 the future, that are or will be critical to the Vermont economy.

3 (B) Based upon the identified ~~economic sectors~~ occupations and the
4 number of students anticipated to qualify for loan forgiveness under this
5 section, the Secretary of Commerce and Community Development shall
6 annually provide the General Assembly with the estimated cost of the Vermont
7 Student Assistance Corporation's loan forgiveness awards under the Loan
8 Forgiveness Program during the then-current fiscal year and each of the four
9 following fiscal years.

10 (2) Eligibility. A graduate of a public or private Vermont postsecondary
11 institution shall be eligible for forgiveness of a portion of his or her Vermont
12 Student Assistance Corporation postsecondary education loans under this
13 section if he or she:

14 (A) was a Vermont resident, as defined in subdivision 2822(7) of this
15 title, at the time he or she was graduated;

16 (B) enrolled in his or her first year of study at a postsecondary
17 institution on or after July 1, 2015 and completed an associate's degree within
18 three years, or a bachelor's degree within six years of his or her enrollment
19 date;

1 (C) becomes employed on a full-time basis in Vermont within
2 12 months of graduation in an ~~economic sector~~ occupation identified by the
3 Secretary and Commissioner under subdivision (1) of this subsection;

4 (D) remains employed on a full-time basis in Vermont throughout the
5 period of loan forgiveness in an ~~economic sector~~ occupation identified by the
6 Secretary and Commissioner under subdivision (1) of this subsection; and

7 (E) remains a Vermont resident throughout the period of loan
8 forgiveness.

9 (3) Loan forgiveness. An eligible individual shall have a portion of his
10 or her Vermont Student Assistance Corporation loan forgiven as follows:

11 (A) ~~For~~ for an individual awarded an associate's degree, in an
12 amount equal to the comprehensive in-state tuition rate for 15 credits at the
13 Vermont State Colleges during the individual's final semester of enrollment, to
14 be prorated over the three years following graduation;

15 (B) ~~For~~ for an individual awarded a bachelor's degree, in an amount
16 equal to the comprehensive in-state tuition rate for 30 credits at the Vermont
17 State Colleges during the individual's final year of enrollment, to be prorated
18 over the five years following graduation;

19 (C) ~~Loan~~ loan forgiveness may be awarded on a prorated basis to an
20 otherwise eligible Vermont resident who transfers to ~~and is graduated from~~ a

1 Vermont postsecondary institution and graduates after July 1, 2017, with an
2 associate's degree or after July 1, 2019, with a bachelor's degree.

3 (4) Management.

4 (A) The Secretary of Commerce and Community Development shall
5 develop all organizational details of the Loan Forgiveness Program consistent
6 with the purposes and requirements of this section.

7 (B) The Secretary shall enter into a memorandum of understanding
8 with the Vermont Student Assistance Corporation for management of the Loan
9 Forgiveness Program.

10 (C) The Secretary may adopt rules pursuant to 3 V.S.A. chapter 25
11 necessary to implement the Program.

12 (c) Vermont Strong Internship Program.

13 (1) Internship Program management.

14 (A) The Commissioner of Labor and the Secretary of Commerce and
15 Community Development shall jointly develop **and implement** the
16 organizational details of the Internship Program consistent with the purposes
17 and requirements of this section and may adopt rules pursuant to 3 V.S.A.
18 chapter 25 necessary to implement the Internship Program.

19 ~~(B) The Commissioner, in consultation with the Secretary, shall issue~~
20 ~~a request for proposals for a person to serve as an Internship Program~~
21 ~~Intermediary, who shall perform the duties and responsibilities pursuant to the~~

1 ~~terms of a performance contract negotiated by the Commissioner and the~~
2 ~~Intermediary.~~ The Commissioner and the Secretary shall design and develop
3 the Vermont Strong Internship Program to complement and coordinate with
4 the Vermont Career Internship Program in 10 V.S.A. § 544.

5 (C) The Department of Labor, the Agency of Commerce and
6 Community Development, and the the regional development corporations, and
7 the Intermediary, shall have responsibility for building connections within the
8 business community to ensure broad private sector participation in the
9 Internship Program.

10 (D) The Program Intermediary shall:

11 (i) identify and foster postsecondary internships that are rigorous,
12 productive, well-managed, and mentored;

13 (ii) cultivate relationships with employers, employer-focused
14 organizations, and State and regional government bodies;

15 (iii) build relationships with Vermont postsecondary institutions
16 and facilitate recruitment of students to apply for available internships;

17 (iv) create and maintain a registry of participating employers and
18 associated internship opportunities;

19 (v) coordinate and provide support to the participating student, the
20 employer, and the student's postsecondary institution;

1 (vi) develop and oversee a participation contract between each
2 student and employer, including terms governing the expectations for the
3 internship, a work plan, mentoring and supervision of the student, reporting by
4 the employer and student, and compensation terms; and

5 (vii) carry out any additional activities and duties as directed by
6 the Commissioner.

7 (2) Qualifying internships; criteria.

8 ~~(A) Criteria.~~ To qualify for participation in the Internship Program
9 an internship shall at minimum:

10 (i) be with a Vermont employer as approved by the Intermediary
11 in consultation with the Commissioner and Secretary;

12 (ii) pay compensation to an intern of at least the prevailing
13 minimum wage; and

14 (iii) meet the quality standards and expectations as established by
15 the Intermediary Commissioner.

16 ~~(B) Employment of interns. Interns shall be employed by the~~
17 ~~sponsoring employer except, with the approval of the Commissioner on a~~
18 ~~case by case basis, interns may be employed by the Intermediary and assigned~~
19 ~~to work with a participating Vermont employer, in which case the sponsoring~~
20 ~~employer shall contribute funds as determined by the Commissioner.~~

1 (3) Student eligibility. To participate in the Internship Program, an
2 individual shall be:

3 (A) a Vermont resident enrolled in a postsecondary institution in or
4 outside Vermont;

5 (B) a student who graduated from a postsecondary institution within
6 24 months of entering the program who was classified as a Vermont resident
7 during that schooling or who is a student who attended a postsecondary
8 institution in Vermont; or

9 (C) a student enrolled in a Vermont postsecondary institution.

10 (d) Funding.

11 (1) Loan Forgiveness Program.

12 (A) Loan forgiveness; State funding.

13 (i) There is created a special fund to be known as the Vermont
14 Strong Scholars Fund pursuant to 32 V.S.A. chapter 7, subchapter 5, which
15 shall be used and administered by the Secretary of Commerce and Community
16 Development solely for the purposes of loan forgiveness pursuant to this
17 section.

18 (ii) The Fund shall consist of sums to be identified by the
19 Secretary from any source accepted for the benefit of the Fund and interest
20 earned from the investment of Fund balances.

1 (iii) Any interest earned and any remaining balance at the end of
2 the fiscal year shall be carried forward in the Fund.

3 (iv) The availability and payment of loan forgiveness awards
4 under this ~~subdivision~~ chapter is subject to State funding available for the
5 awards.

6 (B) Loan forgiveness; Vermont Student Assistance Corporation. The
7 Vermont Student Assistance Corporation shall have the authority to grant loan
8 forgiveness pursuant to this section by using the private loan forgiveness
9 capacity associated with bonds issued by the Corporation to raise funds for
10 private loans that are eligible for forgiveness under this section, if available.

11 (2) Internship Program. Notwithstanding any provision of law to the
12 contrary, the Commissioner of Labor shall have the authority to use funds
13 allocated to the Workforce Education and Training Fund established in
14 10 V.S.A. § 543 to implement the Internship Program created in this section.

15 * * *

16 § 544. VERMONT CAREER INTERNSHIP PROGRAM

17 (a)(1) The Department of Labor, in consultation with the Agency of
18 Education, shall develop and implement a statewide Vermont Career
19 Internship Program for Vermonters who are in high school or in college and
20 for those who are recent graduates of 24 months or less.

1 (2) The Department of Labor **shall may** coordinate and provide funding
2 to public and private entities for internship programs that match Vermont
3 employers with students from public and private secondary schools, regional
4 technical centers, the Community High School of Vermont, colleges, and
5 recent graduates of 24 months or less.

6 (3) Funding awarded through the Vermont Career Internship Program
7 may be used to administer an internship program and to provide participants
8 with a stipend during the internship, based on need. Funds may be made only
9 to programs or projects that do all the following:

10 (A) do not replace or supplant existing positions;

11 (B) create real workplace expectations and consequences;

12 (C) provide a process that measures progress toward mastery of skills,
13 attitude, behavior, and sense of responsibility required for success in that
14 workplace;

15 **(D)** are designed to motivate and educate ~~secondary and~~
16 ~~postsecondary students and recent graduates~~ participants through work-based
17 learning opportunities with Vermont employers ~~that are likely to lead to real~~
18 ~~employment~~;

19 (E) include mechanisms that promote employer involvement with
20 secondary and postsecondary students and curriculum and the delivery of
21 education at the participating schools; and

1 (F) offer participants a continuum of learning, experience, and
2 relationships with employers that will make it financially possible and
3 attractive for graduates to continue to work and live in Vermont.

4 (4) As used in this section, "internship" means a learning experience
5 working with an employer where the intern may, but does not necessarily,
6 receive academic credit, financial remuneration, a stipend, or any combination
7 of these.

8 (b) The Department of Labor, in collaboration with the Agencies of
9 Agriculture, Food and Markets and of Education, State-funded postsecondary
10 educational institutions, the Workforce Investment Board, and other State
11 agencies and departments that have workforce education and training and
12 training monies, shall:

13 (1) identify new and existing funding sources that may be allocated to
14 the Vermont Career Internship Program;

15 (2) collect data and establish program goals and quantifiable
16 performance measures for internship programs funded through the Vermont
17 Career Internship Program;

18 (3) develop or enhance a website that will connect students and
19 graduates with internship opportunities with Vermont employers;

- 1 (4) engage appropriate agencies and departments of the State in the
- 2 Internship Program to expand internship opportunities with State government
- 3 and with entities awarded State contracts; and
- 4 (5) work with other public and private entities to develop and enhance
- 5 internship programs, opportunities, and activities throughout the State.