

Memorandum

To: Governor Peter Shumlin  
From: Commissioner Annie Noonan, Vermont Dept. of Labor  
Re: Recommendations for Next Generation Funds  
Date: November 23, 2015

FY '16 Vermont State Appropriations Act 58, Section B.1100.1 requires a recommendation to the Governor for the proposed allocation of the State's General Fund for the "Next Generation" program.

*(a) The Department of Labor, in coordination with the Agency of Commerce and Community Development, the Agency of Human Services, and the Agency of Education, and in consultation with the State Workforce Investment Board, shall recommend to the Governor on or before December 1, 2015 how \$2,993,000 from the Next Generation Fund should be allocated or appropriated in fiscal year 2017 to provide maximum benefit to workforce education and training, participation in secondary or postsecondary education by underrepresented groups, and support for promising economic sectors in Vermont. The State agencies and departments listed herein shall promote actively and publicly the availability of the funds to eligible entities.*

The Vermont Department of Labor, in coordination with the Agencies of Commerce, Education, and Human Services, and SWIB Chairman Frank Cioffi, proposes the following budget allocations for the NG Funds:

**1) Workforce Education & Training Fund (VDOL): \$1,017,500**

Request: The amount of \$1,017,500 to the Vermont Department of Labor Workforce Education and Training Fund, 10 V.S.A. § 543 for workforce education and training. Up to seven percent may be used for administration of the program, and \$350,000 shall be allocated for competitive grants for Internships through the Vermont Career Internship Program under 10 V.S.A. § 544.

The WET Fund supports partnerships with Vermont employers, educators and training providers to meet the goals of: training the available workforce to enable the State to recruit new employers to Vermont; saving jobs from moving out of Vermont; customized training to match Vermont job seekers with actual job openings of Vermont employers; skill training to allow a Vermont employer to expand if it is clear that new jobs will result; supporting key initiatives such as high school and college internships; job training programs to assist Vermonters with significant employment barriers, and/or to resolve skill deficiencies; career exploration.

**2) Adult Technical Education (VDOL): \$360,000**

Request: The amount of \$360,000 to the Department of Labor, in consultation with the State Workforce Investment Board, for the purpose of awarding competitive grants to regional technical centers and high schools to provide adult technical education, as that term is defined in 16 V.S.A. § 1522, to unemployed and underemployed Vermont adults. In 2011, the legislature asked the VDOL to require each center requesting funds to submit a work plan to the Department, but provided an equal distribution of the money among the centers.

**3) UVM Tech Transfer (UVM): \$100,000 and Vermont Center for Emerging Technologies (ACCD): \$100,000**

Request: The amount of \$200,000 to the Agency of Commerce and Community Development to issue performance grants to the University of Vermont and the Vermont Center for Emerging Technologies for patent development and commercialization of technology and to enhance the development of high technology businesses and employment opportunities throughout Vermont.

**UVM Tech Transfer:** \$100,000: This program has demonstrated success in the innovation of products with market potential and works closely with VCET on moving innovations to market. Our recommendation is for level funding. This program is primarily an economic development strategy rather than a workforce education and training strategy.

**Vermont Center for Emerging Technologies (ACCD):** \$100,000: This program has demonstrated success in supporting entrepreneurs through the start-up phases and can demonstrate the creation of jobs and additional demand for skilled workers.

**4) Non-Degree Grants (VSAC) \$494,500**

Request: The amount of \$494,500 to the Vermont Student Assistance Corporation for the purpose of providing non-degree grants to Vermonters to fund enrollment in a post-secondary education or training program, including adult technical education, which is not part of a degree or accredited certificate program, which may improve skills and increase overall employability. A portion of these funds shall be used for grants for indirect educational expenses to students enrolled in training programs. The grants shall not exceed \$3,000 per student. None of these funds shall be used for administrative overhead. This program provides scholarships for non-college credit programs, such as those offered by non-profit organizations, proprietary schools, unions, and regional Adult Tech Education.

**5) National Guard Educational Assistance (VSAC) \$150,000**

Request: The amount of \$150,000 to Military – administration to be transferred to the Vermont Student Assistance Corporation for the National Guard Educational Assistance Program established in 16 V.S.A. § 2856.

The program provides tuition assistance to Vermont National Guard troops.

**6) Dual Enrollment (VSC): \$600,000**

Request: The amount of \$600,000 to the Vermont State Colleges for dual enrollment programs consistent with the 2013 Acts and Resolves No. 77. The State Colleges shall develop a voucher program that will allow Vermont students to attend programs at a post-secondary institution other than the State College system when the student will be better served at a non-State college or when available programs are not geographically suited to student need. Dual enrollment provides a way for students to earn college credit while in high school. College classes can be taken through the VSC, UVM, and several private colleges that have chosen to participate, and include tuition discounts.

**7) Large Animal Veterinarians Loan Forgiveness (Agency of Agriculture) \$30,000**

Request: The amount of \$30,000 to the Agency of Agriculture, Food and Markets for a loan forgiveness program for large animal veterinarians pursuant to 6 V.S.A. § 20. This program for large animal vets is patterned after the nursing loan forgiveness program to meet demonstrated regional needs as defined by the Secretary of Agriculture.

**8) STEM Incentive Payments and Pre-Funding for Vermont Strong Scholars: (ACCD) \$141,000**

Request: The amount of \$141,000 to ACCD to ensure any final payment to STEM Incentive graduates (estimated amount needed is \$\_\_\_\_\_ in accordance with 2011 Act 52, Sec. 6. This STEM program is no longer allowing enrollments, but needs funding for those to whom the incentive payment has been committed.

The remaining funding will be utilized to start the funds for the Vermont Strong Scholars Program (statutory cite \_\_\_\_\_), which was launched in (date). Estimated annual funding for VSS will be \$\_\_\_\_\_ starting in (date), and will require increased funding each year thereafter. (Is there a report on the schedule of projected costs that we can add the hyperlink for?)