



Joint Policy Committee Report January 2017

Businesses and local leaders tell us that what is holding back investment, wages, and productivity is a:

1. lack of predictable, timely and cost effective permitting procedures at the state level,
2. lack of available workforce, and
3. lack of support and incentives for companies to invest.

We are pleased that several of Governor Scott's goals directly relate to addressing the items above. Each topic below is taken directly from his "Comprehensive Blueprint for Economic Growth". Items in bold/italics have been identified by Rutland Economic Development Corporation and Rutland Region Chamber of Commerce as significant contributors to economic prosperity for the Rutland Region and Vermont. Beneath each category you will find specific actions that REDC and the Chamber are already taking in support of these initiatives. This is followed by a recommendation to the Governor and his team to help strengthen the work we are doing.

Please note that Regulatory Reform and Workforce are top priorities for our region.

Regulatory Reform

Establish Reasonable Timelines: "Vermont's regulatory process for many Section 248 and Act 250 cases takes too long, discouraging new proposals and adding substantial costs to those that do move ahead. To ensure we're reaching "yes" or "no" decisions efficiently, I will work with the Vermont Manufacturing Extension Center (VMEC) to ***streamline Vermont's major permit processes***. I will direct the Agency of Natural Resources, and other stakeholders to work with VMEC to identify bottlenecks in the process and develop strategies for faster permit resolutions. Our goals will be to ***reduce major permit applications to a maximum period of three (3) months; and minor licensing and permitting to no more than four (4) weeks.***"

Require Act 250 Permit Specialists to Serve as Pro-Growth Guides: "I will modify the duties and title of the permit specialists that currently exist in each Act 250 region to ***connect their role in the process directly to the outcome of the project. Each Act 250 application will be assigned a permit specialist who will help the client navigate the entire system.*** This specialist will be responsible for frequent communication with the client and ensuring the client understands each step of the process."

Rutland Economic Development Corporation and/or the Rutland Region Chamber of Commerce will:

- support initiatives that make permitting more predictable, affordable and timely.
- collect narrative examples of regulatory issues that have hampered growth and development.

In support of this effort, the Governor is encouraged to:

1. foster welcoming customer service procedures that promote planful economic growth at the state regulatory level.
2. endorse H.874 (see attached) as introduced in 2016 by Representatives Potter of Clarendon, Burditt of West Rutland, Canfield of Fair Haven, Connor of Fairfield, Cupoli of Rutland City, Devereux of Mount Holly, Eastman of Orwell, Fagan of Rutland City, Gage of Rutland City, Helm of Fair Haven, Johnson of South Hero, Russell of Rutland City, and Shaw of Pittsford,
3. seek rule changes that will process all applications as a minor,
4. support the elimination of double jeopardy by assigning projects to either Act 250 or through the municipal process. The municipality should be allowed to lead that decision.
5. ask for a single appeals process, which is “on the record”, and
6. refine/reduce the appeals timeline and waiting periods.

Workforce

Support Innovation: “That’s why I support early introduction to work and believe hands-on apprenticeships, trades training and internships should be core to the educational experience of every child. We should *invest in technical and trade education* to trigger interest in the STEM fields and make sure our workforce is trained for jobs in demand. In addition, I will continue to support *dual enrollment opportunities* that allow high school students to participate in college courses, career readiness courses and the type of hands-on technical education that got me interested in the construction trades. Lastly, revitalizing Vermont’s education system requires a continued commitment to expanding choices for students and parents.”

Retain More College Graduates: “Roughly 10,000 students graduate from Vermont colleges and universities every year. These are people who were clearly drawn to our state, we need to offer more, such as *good jobs and affordable housing*, to encourage them to stay..... Our goal will be to develop a system that *retains at least 50 percent of each year’s graduating class* and a process to measure our retention of college students so we can benchmark progress.”

Invest in Skilled Workers: “I will propose reinvesting in the *Vermont Training Program and Vermont Workforce Education and Training Program*... incrementally increase our investment in workforce development.”

Rutland Economic Development Corporation and/or the Rutland Region Chamber of Commerce will:

- work closely with high school and college/university partners to connect education and employers with work based learning and internship opportunities.

In support of this effort, the Governor is encouraged to:

1. support, continued implementation of Act 46 school district restructuring and consolidation,
 2. require the Agency of Education oversee consistent application of Act 77: Flexible Pathways within technical center service regions, and
 3. require a common school calendar, common graduation requirements and equal access by all students to school choice within technical center service regions.
 4. allow access to technical education beginning in 9th grade.
 5. support statewide recruitment campaigns to bring back and retain young Vermonters or professionals with some link to Vermont. The state has begun such an effort but it is underfunded.
 6. provide state support, including competitive grants, for regional economic development agencies to leverage state funding to support local recruitment and retention efforts. For example, REDC, the Rutland Region Chamber and other local organizations are teaming up on inspiring and innovative recruitment campaigns focused on the Northeast to attract Millennials to Vermont. Leveraging state support could significantly extend the reach of these campaigns.
- connect businesses with Vermont Training Program, Workforce Education Funds, Vermont Employment Growth Incentives (VEGI), and other state sponsored grant opportunities.

In support of this effort, the Governor is encouraged to:

1. support the continuation of these incentives,
 2. allow VEGI recipients the option of staggered threshold levels that incent employers to exceed projections.
- create a living database of livable wage jobs throughout Vermont to which the career ready workforce may apply, and market these jobs through the alumni associations of UVM, the Vermont State Colleges and other avenues. Including www.vermontjoblink.com, could enhance this resource.
 - work to understand and articulate the benefits and costs that early- and mid-career workers face when considering relocating to Vermont.
 - develop programming to support a robust social infrastructure that provides visible paths to advancement for these workers.
 - encourage our new Governor and Vermont's Congressional delegation to continue supporting policies and public conversation that supports Vermont's tradition of welcoming New Americans (immigrants and refugees) to our state.

In support of this effort, the Governor is encouraged to:

1. promote refugee resettlement in communities in the state that are prepared to support them, such as Rutland.

County Economic Centers

“The Vermont Center for Emerging Technology (VCET) and privately funded innovation centers like The Loft in Rutland are inspiring economic innovation in Vermont by serving as entrepreneurial incubators and providing co-working space... We should ***expand this approach to more maker spaces for the trades and work*** to make sure existing centers are fully utilized.”

Rutland Economic Development Corporation and/or the Rutland Region Chamber of Commerce will:

- financially support shared workspace and makerspace initiatives such as the Greater Rutland Makerspace, which is scheduled to open in February, 2017.

Tax Policy

“As Governor, I will restore it, allowing qualifying businesses to ***deduct the cost of nearly one-third of designated research and development costs.***”

Restore Film Production Tax Credits: “Vermont repealed the commercial film production tax credit and the non-resident commercial film tax credit in 2011. In contrast, our neighbor Massachusetts has a much more competitive tax climate for movie productions and is benefiting from it, including from the production of films that are supposed to be set in Vermont. I will propose ***restoring this tax credit*** to revitalize Vermont's appeal as a location to film and produce movies and television shows.”

Rutland Economic Development Corporation and/or the Rutland Region Chamber of Commerce will:

- support the Governor’s plan to live within the taxable means of the general population.

Energy

Expand Access to Natural Gas: “Finally, Vermont should continue to responsibly and affordably ***expand the choice of cleaner natural gas for heat to more homes and businesses.*** This is a choice that many other states offer employers and a particularly important consideration for manufacturing jobs. It is no coincidence that some of our strongest job growth has been in a region of the state where they have had natural gas for about 50 years. If it remains economically and environmentally beneficial to extend this choice to more Vermonters and employers in other parts of the state, we should support it.”

In support of this effort, the Governor is encouraged to:

1. assign a staff member to work with the Rutland Economic Development Corporation to determine the feasibility of creating a gas island or gas islands in the greater Rutland Region as a bridge to access to a gas pipeline.

Expand smart electrification to drive economic development and lower costs: Capitalize on Vermont and Rutland’s position as a national leader on Electrical Grid improvements, battery storage, comprehensive energy solutions and renewable development. This work has attracted businesses to Rutland and led to economic development through partnerships with Green Mountain Power, the City of Rutland, and Efficiency Vermont, Neighborworks and other partners, which is creating jobs, significantly lowering costs for participating customers, and improving housing stock and quality in Rutland’s Northwest Neighborhood and beyond.

In support of this effort, the Governor is encouraged to:

1. Support and encourage through legislation and regulatory support innovative approaches to battery storage, reliability, heating, circuit islanding and renewable development.

Marketing

Expand Public-Private Marketing Partnerships: “I will direct the Agency of Commerce and Community Development (ACCD) to *seek marketing and messaging partnership opportunities* with the companies who rely heavily on Vermont’s state brand to market their products.”

Convert Today's Visitors to Tomorrow's Vermonters: “To aid in both our economic and workforce expansion goals, we have to convert today's visitors -- and anyone with a love of Vermont -- to tomorrow's Vermonters. To this end, I will task ACCD with *developing a refreshed marketing campaign that leverages available jobs, improvements in Vermont's economic environment, strong education system, safe communities and quality of life* to convert visitors to full-time Vermonters.....To encourage statewide participation in this effort, ACCD will also encourage participation by private sector employers across all segments of the economy.”

Rutland Economic Development Corporation and/or the Rutland Region Chamber of Commerce will:

- aggressively implement the Regional Marketing Initiative that is underway.
- support job and business retention, expansion and succession planning for area businesses.
- actively support the goals and work of the Rutland Young Professionals with space and staffing.

In support of this effort, the Governor is encouraged to:

1. provide staff support to connect the entire state with initiatives underway in the Rutland region, such as the recently launched Regional Marketing Initiative.

Comments or questions can be directed to Lyle Jepson, Dean of Entrepreneurial Programs – Castleton University and Executive Director of Rutland Economic Development Corporation at lyle.jepson@castleton.edu or Mary Cohen, Executive Director of the Rutland Region Chamber of Commerce at mcohen@rutlandvermont.com.