



Vermont Businesses
for Social Responsibility

Economic and Workforce Development

House Committee on Commerce and Economic Development
January 30, 2019

Testimony by

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Vermont Businesses for Social Responsibility (VBSR) is a non-profit, statewide business trade organization with a mission to advance business ethics that value multiple bottom lines- economic, social, and environmental.

We strive to help members set a high standard for protecting the natural, human and economic environments of the state's residents, while remaining profitable. Founded in 1991, VBSR has more than 700 members across Vermont.

Education

Empowering our members to solve environmental, social and economic problems. We provide concrete resources and information to help improve our members' business practices.

Public Influence

Initiating tangible change in public policy that combats exploitation and promotes sustainability. We work to capture the inherent power of business to represent socially responsible ideals to legislative bodies, news media, and the general public.

Workplace Quality

Enabling every worker to live and work with respect and dignity by creating work environments and economic climates that provide fair income in safe work settings, and allow each employee to contribute to a high quality product or service.



Local First Vermont

Local First Vermont members are local business owners, professionals, non-profit leaders and government representatives who are committed to preserving the character and prosperity of Vermont's economy, community networks and natural landscape.

VBSR Policy Program

Initiating tangible change in public policy that combats exploitation and promotes sustainability. We work to capture the inherent power of business to represent socially responsible ideals to legislative bodies, news media, and the general public.

Prior VBSR advocacy campaigns:

- Farm to Plate
- Benefit Corporations
- Earned Sick Leave
- Ban the Box

90% of VBSR members say they get good value for their taxes they pay

Top 4 contributors to the success of VBSR businesses (2016 survey data)

- Vermont brand
- Vermont quality of life
- Access to skilled workforce
- Access to government officials

Top 4 obstacles to the success of VBSR businesses

- Cost of health care
- Lack of public transportation
- Lack of affordable housing
- Access to affordable and high quality child care services

Workforce Development Recommendations

Decarbonize our Economy

Joint Fiscal Office and Resources for the Future report released last week concluded that the benefits of carbon pricing greatly outweigh the costs.

- The report states, “The combined climate and health benefits of carbon pricing policies would exceed the economic costs for every carbon pricing scenario considered.”
- Carbon pricing alone would have a minimal impact on the Vermont economy; about 0.01 to 0.09 percent drop in state GDP (assuming an annual 1% GDP growth each year). The exemption is the ESSEX Plan, which is projected to grow the Vermont economy.
- How Vermont spends the revenue is important. The researchers did not calculate the economic impact of specific investments in our economy – such as weatherization and electric vehicles – and this type of investment would mean additional economic growth for the state.

Child Care Affordability is Workforce Development

Employers need talented, focused, and reliable employees – the lack of access to affordable and high quality childcare is huge hindrance to maintaining that workforce. Employers have a role to play in the solution – but the logistics of how to do that is prohibitive for small businesses and start-ups.

- Legislature should give strong consideration to a proposal from Let’s Grow Kids to create a temporary tax credit for employers to help them launch, sustain, or grow childcare support services for their employees.
- Right now 29 states have some sort of tax credit for employers to engage them in providing childcares services to employees.

Help Employers Pay Down College Debt

The average student graduating from college in 2017 had \$40,000 in tuition debt – in Vermont it is about \$28,000. This is a major roadblock to economic security for our emerging workforce.

- Many employers are now helping employees pay off college debt – programs similar to 401k benefits. But these benefits are taxed – unlike other employer benefits.
- Rep. Stevens sponsoring a bill to allowing these programs to occur without a tax penalty. Rep. Welch has co-sponsored similar legislation on the federal level – where most of the tax obligation exists.

Support Second-Chance Employers

There are between 14 million and 15.8 million Americans of working age with felony convictions, and 6.1 million to 6.9 million of them are also former prisoners.

- A 2016 analysis by the Center on Economic and Policy Research (CEPR) estimated that the stigma against people with prison or felony histories prevents 1.7 million to 1.9 million people from working.
- "It isn't just that we have the highest incarceration rate in the world," explained John Schmitt, a senior economist at CEPR who co-authored the analysis. "We have created a situation over the last 30 years where about one in eight men is an ex-offender."
- A study conducted by Northwestern University in 2017 showed that "individuals with criminal records have a much longer tenure and are less likely to quit their jobs voluntarily than other workers."
- Review Vermont's expungement laws to determine if there are opportunities to remove non-violent convictions, lifting a barrier to employment for ex-offenders.