

Thank you for allocating some time this morning to us for the review and discussion of h533.

Sec. 1. We understand the need for 'credentials of value and/or apprenticeships' but want to reiterate that the Vermont Training Program primarily serves employees that are already employed. The terminology is typically utilized in the arena of workforce development when we are speaking of those unemployed or underemployed. The goal is to get them gainfully employed and so any training should have some sort of certification. For VTP, the assumption and we think it sounds is that no employer would engage in training of their employees that is not worthwhile or valuable. They are spending time and dollars on it so it stands to reason that they have ascertained it is valuable. Some examples of training that VTP has approved include ELL, Lean, profession and managerial development, all things that are transferable in the marketplace. So whilst we appreciate the goal here we think putting VTP into the basket of the numerous wfd programs that exist in the state for unemployed or underemployed persons is missing the purpose of the program. Apprenticeships are great but by no means are they a silver bullet to solve the wf problems in the state.

We currently funding \$ 418,689.33 in apprenticeships for GW, GE. Vt precision tools, Granite Artisans and Velan Valve that represents 34% of FY19 funds.

Subsection 1) Process currently: In the VTP review process we have a system whereby the DOL, DOE, member of swdb, member of vocational rehab is able to review the application. All accomplished via a system with appropriate notice emails go out to the review team.

Rolling application so that we are nimble to serve needs of employers. In a rolling application not sure how we would successfully administer in order to comply with this 25% limit.

2) we currently serve small businesses: numbers are: 53 businesses with 49 or less employees utilizing 29.5% of the funds over the past 3 fiscal years, but again never know how to implement this quota when we have rolling applications but report on a fiscal year.

VTP report: Let us show you the current report and the statutory guidelines for creating it>>>>.page 4 of 23 expresses it in detail. Perhaps these data points are no longer relevant? It does feel respectfully that there is always another data point that we may not be collecting but then there is a lack of understanding of what we currently collect. Then it adds more administration to the creation of the report and adds to the misleading perception that we are not tracking nor reporting on the outcomes when in fact we are. For example on number 10 it states that we need to put the aggregated median wage employees earned as per the invoices for those trained. We currently report on that it is the 4.2% in the report, page number 22 in the VTP 2018 annual report.

We can get average wage increase in the state by March or April of the following year. But then we would be comparing median wage increase in vtp versus average statewide wage increases. Mat Barewicz has confirmed that putting together this would be more time intensive and we would need to pay him more than the 8k that we currently pay.

If we really want to add to the reporting requirements can we reduce some of the other statutory guidelines? Page 4 of 23 of the bill lists the current requirements.

Page 3 of 23. Understand want to incentivize the small employer but usually the cost per trainee is much higher per small business: This would increase it further. Is efficiency of tax payer dollars at all a consideration? This chart shows the lookback of use of funds over the last 3 years by size of employer.

Business Size	Number of Businesses	VTP \$	Employees Trained	Avg per employee	% of total funds
0-19	32	\$898,191.70	357	\$2515.94	16.5%
20-49	21	\$721,416.40	425	\$1697.45	13%
50-99	14	\$688,202.70	366	\$1880.34	12.5%
100+	48	\$3,186,830.00	4185	\$761.49	58%
Total	115	\$5,494,640.80	5333	\$1030.31	100%

Adult cte committee; not sure committee is the answer to the challenges we face. We have swdb, etc. TPM is in this bill. The rationale around it is that it gets industry’s viewpoint of what is needed and the training required of those occupations. The educational and training providers should offer what is needed and those that do will survive and those that don’t wont.

Relocation support system is needed but not as a standalone. It is meant to be coupled with the incentives ask of the governor. Without the incentives and recruiting funds I am doubtful we will have as much incoming of resumes to feed this system. If we have the incentives then we will have the need. What it looks like , it would need to be designed, in the interim we can get help from private sector recruiters to assist with this process.

On base recruitment may be a good idea but as with any recruitment would need to be targetted. Accd is engaged with a business to actively target those who may have interest or a thread of vt in them. Those are the ones we would serve up ads to. This initiative is rather broad. And the timeline is condensed. To develop and design a pilot and actually gather employers and travel to bases and have a report on how things are going with in 6 months of passage? Seems like it cannot be practically achieved.

OPR Nursing: seems reasonable to take a look at this. The need for nurses in this state is staggering. 3k in the next 2 years? Tpm did an initial gathering of the hospitals, and also the educators, Whatever we can do to increase the availability would be great.

Tpm: We wholeheartedly support: ever wonder why we name certain groups or initiatives? There is no silver bullet. It became apparent that there was no methodology and this tpm actually provides a framework in which to work and provide demand side and then coordinate with educators and training providers and ultimately align govt funding with the programs that most fill the needs of employers. The solutions that are focused on the needs. Not solutions looking for attendees.

International Trade. We do not see a need for a study. We concentrate the focus of bi-lateral trade and international commerce in the Province of Quebec. Quebec is the largest importer of Vermont products

and goods. ACCD is an active member of the State International Directors Organization, Vermont International Trade Association, Eastern Trade Council, SelectUSA and the Reshoring Institute. ACCD also administers and coordinates the Vermont State Trade Expansion Program (STEP) through funds from the Small Business Association. ACCD applies on behalf of the State and administers the recruitment and registration of small businesses into the program as well as administers the financial and data reporting of the grant program.

The Department of Economic Development communicates and collaborates with the Council of State Governments, Quebec Minister of Economy, Science and Innovation, The Province of Quebec Consulate of New England, Federation of Quebec Chambers of Commerce, U.S. Commercial Service, the Vermont Quebec Economic Initiative, Vermont Regional Development Corporations, Vermont Chamber of Commerce, and various private businesses to meet the goal of recruitment, expanding markets and business within the State

From time to time we have met with Taipei cultural office, China Consul General, have a relationship with Japan via sister city program, the Israel cg, Mexico cg, amongst others. We do not have budget to establish offices overseas and if we squeezed any funds out of current budget it would be for a Quebec office certainly before going overseas.

-ACCD attends multiple SelectUSA Foreign Direct Investment events with over 20 meetings of foreign businesses

-Attended Northeast Governors-Eastern Canada Premiers Conferences in PEI and Stowe Vermont

-Trade Mission in November 2018 with 9 Vermont Companies to meet with Quebec Counterparts. Governor and ACCD meet with Quebec prospects for Vermont Expansion. Ne Company recently opens expansion in Saint Johnsbury

-ACCD coordinates Reverse Trade Mission with 29 businesses from Sherbrooke Canada to meet with Vermont manufacturing, higher education, technology, Regional Development Corporations, real estate and State Agencies

-In direct coordination with the US Commerce Department-Vermont office and the Vermont Chamber of Commerce, ACCD has recruited and will bring 8 Aerospace manufacturer/supply chain businesses to Aeromart Trade Show in Montreal

We have 4 quebec businesses that located here. Awaiting the announcement of the 5th and actively working on the 6th. Business. Quebec holds the most promise for us and therefore is the most cost effective use and focus of taxpayer funds appropriated to us.

Reorganization of the agency: We always look for ways to spend the funds in a more cost effective manner. So open to the idea.

Thanks very much.