1	H.494
2	Introduced by Representative LaClair of Barre Town
3	Referred to Committee on
4	Date:
5	Subject: Workforce development; occupational licensing; Office of
6	Professional Regulation; employment tax credit; Vermont Strong
7	Scholars Initiative
8	Statement of purpose of bill as introduced: This bill proposes to amend
9	occupational licensing regulations and processes; to add a State income tax
10	credit; and to require the Agency of Education to propose a funding source for
11	the Vermont Strong Scholars Initiative.
12	An act relating to workforce development
13	It is hereby enacted by the General Assembly of the State of Vermont:
14	Sec. 1. SHORT TITLE
15	This act shall be known and may be cited as the Vermont Workforce
16	Expansion Act (VWEA).
17	Sec. 2. FINDINGS
18	The General Assembly finds:
19	(1) Vermont's aging demographics threaten the State's future economic
20	prosperity.

1	(2) An expansion of the size and scope of the workforce—as well as
2	greater workforce participation—is necessary to grow the Vermont economy
3	and finance important investments.
4	(3) Occupational licensing requirements can serve as a barrier to
5	entering the workforce.
6	(4) Flexible work from home has become an essential part of the
7	workforce since the COVID-19 pandemic.
8	(5) Vermont can and should reduce barriers to enter the workforce and
9	promote flexible work while preserving public safety.
10	* * * Occupational Licensing Fee Waiver * * *
11	Sec. 3. 3 V.S.A. § 125 is amended to read:
12	§ 125. FEES
13	* * *
14	(d) Pursuant to qualifications and procedures determined by the Director,
15	the Office shall, upon request, waive application fees to qualified military
16	members and military spouses. The Office shall waive all initial licensing,
17	application, registration, and certification fees of those professions regulated
18	by the Office for:
19	(1) households with an income that does not exceed 200 percent of the
20	federal poverty income guidelines;

1	(2) active-duty members of the U.S. Armed Forces who establish
2	residence in this State;
3	(3) spouses of active-duty members of the U.S. Armed Forces who
4	establish residence in this State;
5	(4) veterans of the U.S. Armed Forces; and
6	(5) any individual 18 to 25 years of age.
7	* * * Formerly Incarcerated Individuals Seeking Licensure * * *
8	Sec. 4. 3 V.S.A. § 123 is amended to read:
9	§ 123. DUTIES OF OFFICE
10	* * *
11	(k) For any profession attached to it, the Office shall provide a pre-
12	application determination of an individual's criminal background. This
13	determination shall not be binding on the Office in a future application if the
14	individual violates probation or parole or is convicted of another crime
15	following the determination.
16	(1) The Office shall initiate this determination upon an individual's
17	"second chance" determination request. This request shall provide
18	documentation related to the individual's conviction or convictions, evidence
19	of rehabilitation, and identification of the profession or professions for which
20	the individual seeks licensure.

1	(2) The individual shall submit this request online, accompanied by the
2	fee for preapplication determinations set forth in section 125 of this
3	subchapter. If the individual thereafter applies for licensure, this
4	preapplication fee shall be deducted from that license application fee.
5	(3) The Office shall:
6	(A) process a request within 30 days of after receiving a complete
7	request;
8	(B) assess the nature of the underlying conviction or convictions, the
9	nexus to the profession or professions for which the individual seeks licensure,
10	and the provided evidence of rehabilitation as described in subdivision
11	129a(a)(10) of this subchapter; and
12	(C) respond to the individual's request in writing with the following
13	information:
14	(i) the grounds and reasons for the Office's determination;
15	(ii) the earliest date the individual may apply for a license given
16	the nature of the individual's underlying conviction or convictions; and
17	(iii) whether evidence of rehabilitation may be considered upon
18	application.
19	* * *

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1	Sec. 5. 3 V.S.A. § 129a is amended to read:
2	§ 129a. UNPROFESSIONAL CONDUCT
3	(a) In addition to any other provision of law, the following conduct by a
4	licensee constitutes unprofessional conduct. When that conduct is by an
5	applicant or person who later becomes an applicant, it may constitute grounds
6	for denial of a license or other disciplinary action. Any one of the following
7	items or any combination of items, whether the conduct at issue was
8	committed within or outside the State, shall constitute unprofessional conduct
9	* * *
10	(10) Conviction of a crime related to the practice of the profession or
11	conviction of a felony, whether or not related to the practice of the profession
12	(A) No individual shall be disqualified from pursuing, practicing, or
13	engaging in any occupation for which a license, certification, or registration is
14	required solely or in part because of a prior criminal conviction, unless the
15	crime for which an applicant was convicted directly relates to the duties and
16	responsibilities for the occupation, nor shall an individual's arrest without a
17	subsequent conviction be considered as part of the licensing, certification, or
18	registration process.
19	(B) The Office shall list on its website the specific criminal
20	convictions that could disqualify an applicant from receiving a license,

certification, or registration for each profession the Office regulates. The list

1	shall not include vague or generic descriptors for types of criminal convictions,
2	such as "crimes of moral turpitude," and shall only include criminal
3	convictions that are directly related to the duties and responsibilities of the
4	profession.
5	(C) If an individual has a conviction of concern, the board or hearing
6	officer shall consider the following in determining whether to deny or
7	discipline a license, certification, or registration to the individual based on the
8	following factors and shall make its determination based on clear and
9	convincing evidence:
10	(A)(i) the nature and seriousness of the conviction;
11	(B)(ii) the amount of time since the commission of the crime;
12	(C)(iii) the relationship of the crime to the ability, capacity, and
13	fitness required to perform the duties and discharge the responsibilities of the
14	profession; and
15	(D)(iv) evidence of rehabilitation or treatment.
16	* * *
17	* * * Expedited Licensing Recognition; Apprenticeships * * *
18	Sec. 6. 3 V.S.A. § 136a is amended to read:
19	§ 136a. UNIFORM PROCESS FOR ENDORSEMENT FROM OTHER
20	STATES; EXPEDITED LICENSING RECOGNITION
21	(a) Standard endorsement process.

1	(1) Notwithstanding any statute or rule to the contrary and except as
2	provided in subsection (b) of this section subdivision (2) of this subsection, all
3	professions attached to the Office shall have an endorsement process that
4	requires not more than three years of practice in good standing in another
5	jurisdiction within the United States, regardless of whether that jurisdiction has
6	licensing requirements substantially similar to those of this State.
7	(b)(2) Any profession determining that three years of demonstrated practice
8	in another jurisdiction is not adequately protective of the public shall provide
9	its rationale to the Director, who may propose any necessary statutory or rule
10	amendments in order to implement more restrictive requirements for
11	endorsement.
12	(e)(3) The Director may issue to an endorsement applicant a waiver of the
13	profession's practice requirement if there is a showing that the waiver follows
14	State policy and the public is adequately protected.
15	(b) Expedited licensing recognition. An occupational license or
16	certification shall be granted to an individual based on work or job experience
17	if the applicant:
18	(1) has established residence in this State;
19	(2) worked in a state that does not use an occupational license or
20	certification to regulate the occupation;

1	(3) has worked for a period of at least three years in the profession
2	immediately preceding the individual's application in this State;
3	(4) has not had a license or certificate revoked;
4	(5) has not voluntarily surrendered a license or certificate in any other
5	state while under investigation for unprofessional conduct;
6	(6) does not have an unresolved disciplinary action imposed by any
7	other regulating entity;
8	(7) does not have a complaint, allegation, or investigation pending
9	before any other regulating entity; and
10	(8) pays all applicable fees for licensure or certification.
11	(c) The Office shall promulgate any rules and regulations necessary for
12	implementing the provisions of this section.
13	Sec. 7. 3 V.S.A. § 139 is added to read:
14	§ 139. EXPANDED APPRENTICESHIPS
15	(a) Notwithstanding any other provision of law, the Office shall grant a
16	license for any occupation it regulates to an applicant who meets the following
17	<u>criteria:</u>
18	(1) completed an apprenticeship program set out in 29 C.F.R. Part 29,
19	including industry programs, in the licensed profession within one year after
20	the individual's application for licensure;

1	(2) passed any examinations and background investigations deemed
2	necessary by the Office; and
3	(3) paid all applicable fees for licensure.
4	(b) The examinations and fees contained under subsection (a) of this
5	section shall not exceed those required in the standard licensing process for
6	that profession.
7	* * * Vermont Strong Scholars Initiative * * *
8	Sec. 8. APPROPRIATION RECOMMENDATION; VERMONT STRONG
9	SCHOLARS INITIATIVE
10	On or before September 1, 2022, the Agency of Education shall propose to
11	the General Assembly a funding source for the Vermont Strong Scholars
12	Initiative outlined in 16 V.S.A. § 2888.
13	* * * Employer Tax Credit * * *
14	Sec. 9. 32 V.S.A. chapter 151, subchapter 11H is added to read:
15	Subchapter 11H. Hiring Workers with Barriers to Employment Tax Credit
16	§ 5930t. CREDIT FOR HIRING WORKERS WITH BARRIERS TO
17	<u>EMPLOYMENT</u>
18	(a) A qualified employer shall be eligible for a nonrefundable credit against
19	the tax imposed under section 5822, 5832, or 5836 of this title in an amount
20	equal to \$2,000.00 for each new qualified employee hired on or after July 1,
21	2022 by the qualified employer for employment in a position for which the

1	majority of the duties are required to be performed at one or more of the
2	qualified employer's places of business in Vermont.
3	(b) The credit under this section may be carried forward one taxable year.
4	(c) As used in this section:
5	(1) "Qualified employee" means an individual:
6	(A) who works the equivalent of not less than 20 hours per week for
7	not less than 45 of the 52 weeks following the individual's date of hire;
8	(B) whose compensation equals or exceeds the prevailing wage,
9	including wages and benefits, for the particular employment sector and region
10	of the State as published periodically by the Vermont Department of Labor;
11	(C) who has certification from the Commissioner of Labor at the time
12	of hire that the individual experiences one or more barriers to employment,
13	including recovery from addiction, past incarceration, or other barriers as
14	defined under 26 U.S.C. § 51(d); and
15	(D) who has not been employed by the qualified employer for 90
16	days prior to the date of hire.
17	(2) "Qualified employer" means a person who:
18	(A) employs individuals in that person's service;
19	(B) is in good standing with respect to:
20	(i) any applicable registration, fee, and filing requirements with
21	the Secretary of State and the Commissioner of Labor; and

1	(ii) any and all taxes payable to the Commissioner of Taxes
2	pursuant to subsection 3113(g) of this title; and
3	(C) has a valid workers' compensation policy in effect.
4	(d) The Commissioner of Labor shall:
5	(1) Promote awareness of the tax credit available under this section to
6	employers and eligible employees.
7	(2) Establish procedures for prequalifying an individual as a qualified
8	employee and for providing notice to the Commissioner of Taxes when a
9	qualified employee is hired.
10	(3) Establish procedures for certifying a qualified employer's eligibility
11	for the credit under this section.
12	(4) Adopt measurable goals, outcomes, and an audit strategy to assess
13	the use and performance of the credit under this section.
14	(5) Engage in efforts to promote the hiring of employees with barriers to
15	employment through the hiring practices of the State of Vermont.
16	* * * Effective Dates * * *
17	Sec. 10. EFFECTIVE DATES
18	This act shall take effect on passage, except that:
19	(1) Secs. 6 (expedited licensing) and 7 (expanded apprenticeships) shall
20	take effect on July 1, 2023; and

- 1 (2) Sec. 9 (employer tax credit) shall take effect on January 1, 2023 and
- 2 <u>shall apply to taxable years beginning on and after January 1, 2023.</u>