



VERMONT LEGISLATIVE  
**Joint Fiscal Office**

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## Fiscal Note

March 17, 2022

Patrick Titterton

### **H.703 – An act relating to promoting workforce development – As recommended by the House Committee on Ways and Means, Draft 3.1**

#### **URL Amendment:**

<https://legislature.vermont.gov/Documents/2022/WorkGroups/House%20Ways%20and%20Means/Bills/H.703/H.703~Committee~As%20Recommended%20by%20the%20House%20Committee%20on%20Ways%20and%20Means~3-16-2022.pdf>

#### **URL for bill:**

<https://legislature.vermont.gov/Documents/2022/WorkGroups/House%20Commerce/Bills/H.703/Drafts,%20Amendments,%20and%20Legal%20Documents/H.703~David%20Hall~As%20Recommended%20by%20the%20House%20Committee%20on%20Commerce%20and%20Economic%20Development~3-11-2022.pdf>

### **Bill Summary**

**T**his bill establishes several workforce development programs and updates the scope and funding for existing programs. The bill includes creates or enhances programs with the goals of increasing workforce participation rates, training and retaining nursing and mental health care workers. It also includes scholarships and student loan repayment, networking, learning and up-skilling campaigns, early childhood educator recruitment, and support for internship programs.

### **Fiscal Summary**

**The bill appropriates an overall total of \$105.7 million.** Of that \$103.7 occurs in FY 2023, \$1.0 million in FY 2024 and \$1.0 million in FY 2025. This includes:

- \$44.5 million in General Fund appropriations,
- \$44.8 million in Global Commitment Fund appropriations,
- \$15.0 million in Education Fund appropriations, and
- \$1.3 million in ARPA appropriations

Table 1 provides more detailed information on the bill's appropriations.

**The bill is expected to have no impact on State revenues.**

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**Table 1: Overview of all Appropriations in H.703**

Section	Program	New Appropriations Amount	Source	Notes
1	Immediate Strategies and Funding for Expanding the Labor Force; Increasing the Number of Participants and Participation Rates	\$5,000,000	General Fund	Appropriated funds to the UVM Office of Engagement in consultation with Vermont Student Assistance Corporation to administer a statewide forgivable loan program of \$5,000 per graduate who commit to work in Vermont for two years after graduation.
		\$1,000,000	General Fund	Appropriates funds to the State Refugee Office to administer grants to refugee or New-American focused programs to support increased in-migration or retention of recent arrivals.
		\$387,000	General Fund	Appropriates funds to Vermont Technical College to develop a skilled meat cutter training and apprenticeship facility.
3	Funding and Governance Structures of Career Technical Education in Vermont	\$180,000	General Fund	Appropriates funds to the Joint Fiscal Office in FY23 to contract services for systematic examination of existing funding structures of CTE, CTE governance structures in relation to funding structures, implication of existing funding and governance structures for K-12 schools and adult education, funding and alignment of early college and dual enrollment, CTE funding and governance structures in other states and to identify and prioritize potential new models of CTE funding and governance structures for Vermont’s education funding system.
4	Investment in the Up-Skilling of Private Sector Employers to Support the Evolution of Business and Organizational Models	\$500,000	General Fund	Appropriates funds to the Agency of Commerce and Community Development (ACCD) in FY23 to regrant a performance-based contract to the Vermont Professionals of Color Network for business coaching and other training for BIPOC business owners, networking, and career fairs, workshops and paid internships.

Section	Program	New Appropriations Amount	Source	Notes
5	Regional Workforce Expansion System	\$3,000,000	General Fund	Appropriates funds to the Department of Labor to launch and lead a coordinated regional system to support the State's workforce expansion efforts.
6	Justice-Involved Individuals; Workforce Development; Pilot Program	\$417,000	General Fund	Appropriates funds to the Department of Corrections in FY23 to address vocational enhancement needs.
		\$300,000	General Fund	Appropriates funds to Vermont Works for Women in FY23 to establish a community-based pilot reentry program at Chittenden Correctional Facility to provide continuity of services for justice-involved women.
8a	Program Internship Cost Offset Initiative Program	\$3,000,000	General Fund	Appropriates funds to Vermont Department of Labor for an Internship Cost Offset Initiative. The department will design and implement an initiative to expand the number of postsecondary students participating in an internship with a Vermont employer. Students are eligible for not more than \$3,000 for tuition and fees related to participating in an internship with a Vermont employer for which they are also receiving credit towards a degree for. The department will enter into an agreement with VSAC to develop and administer the initiative.

Section	Program	New Appropriations Amount	Source	Notes
9	Vermont Trades Scholarship Program	\$3,000,000	General Fund	Appropriates funds to the Vermont Student Assistance Corporation (VSAC) for scholarships for trades students under the Vermont Trades Scholarship Program. Creates a scholarship program to be administered by VSAC which will disburse initial licensing fees, exam fees and tuition payments on behalf of eligible individuals. Any funds left over at the end of the year will be rolled over and available to VSAC the following year for scholarships.
10	Vermont Trades Loan Reimbursement Program	\$500,000	General Fund	Appropriates funds to the Vermont Trades Loan Repayment Reimbursement Program is create in which VSAC will disburse funds to eligible individuals for loan repayments. For every year of work in qualifying occupation an individual can receive \$5,000 not to exceed the amount of debt owed. Any funds left over at the end of the year will be rolled over and available to VSAC the following year for loan repayment assistance.
11	CTE Construction and Rehabilitation Experiential Learning Program; Revolving Loan Fund	\$15,000,000	Education Fund	Appropriates funds in FY23 to Vermont Housing Conservation Board to create and administer a CTE Construction and Rehabilitation Learning Program and Revolving Loan Fund. The board may not use more than 5 percent of the Fund for the costs of administration.
12	Early Childhood Educator Recruitment	\$125,000	General Fund	Appropriates funds to the Department for Children and Families' Child Development Division to subgrant to the Vermont Association for the Education of Young Children to develop and implement a comprehensive early childhood educator recruitment campaign.
14	Emergency Grants to Support Nurse Educators	\$3,000,000	General Fund	Appropriates funds to Department of Health in FY23 to provide emergency interim grants to Vermont nursing schools. This is a three-year appropriation that allocates, <ul style="list-style-type: none"> <li>• \$1 million in FY23</li> <li>• \$1 million in FY24</li> <li>• \$1 million in FY25</li> </ul>

Section	Program	New Appropriations Amount	Source	Notes
15	Nurse Preceptor Incentive Grants; Hospitals; Working Group; Report	\$2,400,000	General Fund	Appropriates funds to the Agency of Human Services in FY23 to provide incentive grants to hospital-employed nurses in Vermont to serve as preceptors for students enrolled in Vermont nursing school programs. The Agency will distribute the funds to hospitals employing nurses who provide student preceptor supervision based on the number of preceptor hours to be provided, at a rate of \$5.00 per preceptor hour, or a lesser hourly rate if the need exceeds the available funds. The Director of Health Care Reform will convene a working group to identify ways to increase placement opportunities and provide a report based on those findings.
16	Health Care Employer Nursing Pipeline and Apprenticeship Program	\$3,000,000	General Fund	Appropriates funds to VSAC in FY23 to provide grants to health care employers to establish or expand partnerships with Vermont nursing schools to create nursing pipeline or apprenticeship programs.
19	Vermont Nursing Forgivable Loan Incentive Program	\$3,000,000	Global Commitment	Appropriates funds to the Department of Health in FY23 to establish a Vermont Nursing Forgivable Loan Program, which provides scholarships for nursing students. Recipients agree to work as a nurse in Vermont for a minimum of one year. Scholarships to be calculated based on financial need.
20-21	Vermont Nursing Loan Repayment Program	\$2,000,000	General Fund	Appropriates funds to the Department of Health in FY23 to establish and administer a loan repayment program in coordination with VSAC. Amount is equal to one year of loans for every one year of service as a nurse in the state.
22-23	Nurse Educator Scholarship and Loan Repayment Program	\$500,000	General Fund	Appropriates funds to the Department of Health in FY23 to create and administer program to give scholarships to nursing students enrolled in an eligible school who commit to working in Vermont in coordination with VSAC. It also provides loan repayment on behalf of individuals. The amount recipients can receive is equal to the value of one academic year of a full scholarship for every year the individual has worked in the state as a nurse educator.

Section	Program	New Appropriations Amount	Source	Notes
24	Nursing Schools; Simulation Lab Update and Expansion	\$4,000,000	General Fund	Appropriates funds to the Agency of Human Services in FY23 to provide capital grants to nursing school programs to enable them to increase student enrollment. Funds are divvied up based on school's project nursing student enrollment following renovation or expansion.
27	Designated and Specialized Service Agencies; Medicaid Rate Increase; Report	\$41,854,493	Global Commitment	Appropriates funds to the Agency of Human Services in FY23 to increase Medicaid rates by 10 percent for provided mental health and disability services.
28	Agency of Human Services; Designated and Specialized Service Agencies; Workforce Development	\$6,000,000	General Fund	Appropriates funds to the Agency of Human Services in FY23 to increase the number of high-quality mental health, substance use disorder treatment and developmental disability professionals in the State. Dollars are for specialized service agencies to provide loan repayments, and tuition assistance for current and prospective employees.
30	Agency of Human Services; Position; Appropriation	\$170,000	General Fund	Appropriates funds to the Agency of Human Services, Office Health Care Reform for one classified, three-year limited-service Health Care Workforce Coordinator position at AHS in FY23. The coordinator will focus on building educational, clinical and housing partnerships and support structures to increase and improve HC workforce training, recruitment and retention. \$120,000 is for personal services and \$50,000 is for operating expenses.

Section	Program	New Appropriations Amount	Source	Notes
31	Department of Labor; Health Care Workforce Data Hub; Health Resource Allocation Plan	\$2,500,000	General Fund	Appropriates funds to the Department of Labor in FY23 so they can serve as the state health care workforce data hub and to work on identifying and proposing solutions to address data gaps.
35	Pilot Program: Positions Embedded Within Recovery Centers	\$1,290,000	ARPA	Appropriates funds to the Department of Disabilities, Aging and Independent Living Division to develop and implement a two-year pilot program that embeds 15 FTEs limited-service positions within 12 recovery centers across the state. \$540,000 fund 2.5 FTE's at each of two geographically diverse recovery centers. \$75,000 for one FTE to serve as employment support counselor at each of the remaining recover centers.
36	Advance Vermont Public-Private Partnership	\$350,000	General Fund	Appropriates funds to VSAC in FY23 to fund the work of Advance Vermont to increase awareness of postsecondary education and training, promote a broad understanding of the public good and value in achieving the State's Goal for 70 percent of working-age Vermonters to hold a credential of value by 2025.
37	Vermont Serve, Learn, and Earn Program	\$3,200,000	General Fund	Appropriates funds to the Department of Forests, Parks and Recreation to be granted to VYCC to continue the VT Serve, Learn and Earn Program. Provides the Corps and its partners with the capital and operating funds necessary to support workforce development goals through creating meaningful paid service and learning opportunities for young adults.
<b>Total Appropriations</b>	<b>\$105,673,493</b>			
<b>General Fund</b>	<b>\$44,529,000</b>			
<b>Global Commitment</b>	<b>\$44,854,493</b>			



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<b>Education Fund</b>	<b>\$15,000,000</b>			
<b>ARPA</b>	<b>\$1,290,000</b>			