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T E S T I M O N Y

To: House Committee on Commerce and Economic Development
From: Sarah Buxton, Director of Workforce Development, VDOL
Date: March 15, 2022
Subject: Workforce Expansion Support

Thank you to this Committee for supporting Workforce Development Division of the Vermont Department of Labor. This memo further explains the investments you have proposed in support of our work in H.703, specific to Workforce Expansion.

At present, approximately **\$186,000 in state funds** support the implementation of workforce development activities at the Vermont Department of Labor. For over ten years, the Department has been assigned increasing responsibility for leading, coordinating, and administering recruitment, training, matching and retention of workers and recruitment, promotion, pipeline development, and retention efforts of employers. This work has been deliberately assigned to VDOL to compliment and leverage federal investments, directives, and regulatory activities. We agree with these assignments of responsibility as they mirror best practices across the country in developing a robust workforce system.

In the \$3 million Workforce Expansion System proposal advanced in H.703, VDOL will have, for the first time in recent memory, specific, dedicated resources to advance the work the Legislature has assigned. Without question, braiding federal and state directives and resources is complicated. The federal government views its investment as “backbone” support of a State Workforce Agency (SWA); intended to support priorities, investments, and initiatives at the State level. We urge continued support for the assignment of responsibilities along with new funding in FY2023 to enable accelerated progress.

The work outlined below describes how VDOL will use new state funding for state work directed in VSA Titles 10 and 21, bridging it to federal work (WIOA, JVSG, TAA, SA, RESEA, SNAP, TANF, Second Chance Act, JobCorps, YouthBuild, Perkins, etc.) that is also administered by VDOL and multiple other state partners.



Workforce Expansion System (\$3m over two years)

The Vermont Department of Labor will implement centralized staff and a network of regional workforce specialists throughout the state to support the 10 VSA 540 directives below (directly pulled from the statute), in addition to the work previously outlined:

- Establish an integrated system of workforce education and training for Vermont,
- Create and maintaining an inventory of existing workforce education and training programs and activities in the State,
- Use data to ensure that State workforce education and training activities are aligned with the needs of the available workforce, the current and future job opportunities in the State, and the specific credentials needed to achieve employment in those jobs,
- Coordinate public and private workforce programs to ensure that information is easily accessible to students, employees, and employers, and that all information and necessary counseling is available through one contact,
- Facilitate effective communication between the business community and public and private educational institutions,
- Coordinate intentional outreach and connections between students graduating from Vermont's colleges and universities and employment opportunities in Vermont,
- Ensure coordination and nonduplication of workforce education and training activities, and
- (With the assistance of the Secretaries of Commerce and Community Development, of Human Services, of Education, of Agriculture, Food and Markets, and of Transportation,) develop and implement a coordinated system to recruit, relocate, and train workers to ensure the labor force needs of Vermont's businesses are met.

This work compliments federal staffing and program implementation work already in place, extending the reach of the state and federally designated State Workforce Agency (SWA) – the Vermont Department of Labor. Additional focus will be brought to:

- Bridging gap to help job seekers, current and future CTE students to support recruitment and retention,
- Connecting “supply” (workers) and “demand” (employers) in real time,
- Developing locally tailored resources, shared labor market information and coordinate regional strategies,
- Provide technical assistance to employers to help tailor work to attract talent,
- Work in collaboration with ACCD and regional partners on relocation work to provide career counseling, employment and non-employment referrals, spearhead out-of-state recruitment efforts, support program organizational design and implementation efforts.

Draft Budget Detail:

Activity	Expense Detail	Total
Regional Workforce Expansion Specialists	\$125,000 x 6 FTE x 2 yrs	\$1,500,000
Regional Program Oversight	\$145,000 x 1 FTE x 2 yrs	\$290,000
Regional Event and Outreach Coordination	\$145,000 x 1 FTE x 2 yrs	\$290,000
Outreach, Materials, Supplies	Local Labor Resources, Pipeline Development Projects, Outreach, Events	\$720,000
Added Salary Resources for Existing Staff (Labor Market Information, Outreach, Integration)	Specialized Data Projects, Employer Toolkits, Career Pathways and Pipeline Development, Integration with New American & New Vermonter Assistance	\$200,000
TOTAL	8 FTEs and work for 2 years	\$3,000,000