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## T E S T I M O N Y

To: Senate Committee on Economic Development, Housing & General Affairs  
From: Sarah Buxton, Director of Workforce Development, Department of Labor  
Date: April 21, 2021  
Subject: Department testimony regarding H.159

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Thank you for asking me to testify on H.159, An Act Relating to Community and Economic Development and Workforce Revitalization.

The Department of Labor was not asked to testify on H.159 in the House. At the time of introduction, the bill appeared to focus on the creation of the Better Places Program and outlined investments to be made with ARPA funds to strengthen communities coming out of the pandemic. Any changes made related to work that VDOL would do or investments in training and employment programs were made without our testimony or consultation.

### VDOL's position on H.159

- VDOL supports the H.159 as passed by the House, except for Sec. 3 & 4: Postsecondary CTE System. We propose to strike these sections. If the Committee wishes to keep them, we can follow-up with written changes that would expand the study, assign the work to the Agency of Education, and provide new funding.

This section largely replicates a previously passed section of a bill where VDOL procured a contractor to do the work, but the work was cancelled before the contract was signed last summer (June of 2020) so that the state could reallocate unused funds to close the budget gap. Since that time, the State College System, the state's pk-12 education system – including career and technical education centers, and the adult career and technical education system have endured significant changes. These systems need time to rebound and reorient under a myriad of new changes. It is unlikely that a comprehensive and informed review, engagement, and



strategic planning process can be conducted during a time when these fragile systems are enduring recovery and restructuring. We do not expect that policy makers or administrators would be able to gather reliable information to direct structural changes. We do agree that this work needs to be done but recommend that it be postponed for a year and not included in this year's bill. In the future, it will also need funding. The appropriation made in H.159 would require VDOL to take existing CTE training and administration funds and reallocate them to fund this study.

- VDOL supports investments in housing, tourism, business support systems, and community development to help expand the number of available workers to Vermont employers.

Since 2017, we have been supporting the Governor's directive to expand the number and skill level of available workers in Vermont. It is imperative that our strategies are not limited to increasing the skill level of current workers, but are also aimed at reducing barriers to work, attracting and securing new workers, and supporting the ability of employers to hire qualified workers. These investments help advance these goals.

- As the Committee considers investments in workforce development, we want to highlight our strong expectation that the Vermont Department of Labor and other workforce partners are likely to benefit from several provisions of President Biden's proposed "American Jobs Plan" being considered by Congress right now.

We suggest the Committee consider its work in two phases: (I) helping non-working Vermonters become employed before September 4<sup>th</sup> and (II) helping to prepare individuals to who wish to reskill for jobs they may take later this fall.

### **Phase I**

I am happy to offer perspectives on ways to help non-working Vermonters become employed in the next few month. Below is a proposal for using \$500,000 in one-time funds that VDOL offered to the House. We had the support of the Commerce Committee, but it was included in the budget but it was not included in the final budget. I would work with you to alter any of these proposals to meet more immediate need.

## VDOL Jobs Campaign

\$500K (COVID Recovery - OneTime)  
New Initiatives (Sec.B.1100(a)(4))

- Employer Needs Assessment
- Available Job Market Analysis
- Expanding Virtual Services
- CRM Connection w/ ACCD
- Available Job Promotion
- Link Claimants w/ Jobs
- Branding ThinkVTJobs
- Facilitated Job Connection
- Diverse-Worker Recruitment
- Employer Technical Assistance

### **Phase II**

I am also happy to comment on where additional investments can be made to support development of occupational skills, credential attainment, and employability in select sectors. I want to be sure the Committee is aware of proposed and likely state and federal funding sources are sure to “fit in” to help make informed budget decisions.

### **(FEDERAL) American Jobs Plan**

President Biden proposed an investment of \$100 billion in proven workforce development programs targeted at underserved groups and getting our students on paths to careers before they graduate from high school. The plan includes the following:

- ***Pair job creation efforts with next generation training programs. President Biden is calling on Congress to invest in evidence-based approaches to supporting workers. This includes wraparound services, income supports, counseling, and case management, paired with high-quality training and effective partnerships between educational institutions, unions, and employers. Specifically, he is calling for a \$40 billion investment in a new Dislocated Workers Program and sector-based training. This funding will ensure comprehensive services for workers, who have lost jobs through no fault of their own, to gain new skills and to get career services they need with in-demand jobs. Sector-based training programs will be focused on growing, high***

demand sectors such as clean energy, manufacturing, and caregiving, helping workers of all kinds to find good-quality jobs in an ever-changing economy.

- **Target workforce development opportunities in underserved communities.** Structural racism and persistent economic inequities have undermined opportunity for millions of workers. All of the investments in workforce training will prioritize underserved communities and communities hit hard by a transforming economy. President Biden also will call upon Congress to ensure that new jobs created in clean energy, manufacturing, and infrastructure are open and accessible to women and people of color. President Biden is calling on Congress to also specifically target funding to workers facing some of the greatest challenges, with a \$12 billion investment. This includes \$5 billion over eight years in support of evidence-based community violence prevention programs. He is calling on Congress to invest in job training for formerly incarcerated individuals and justice-involved youth and in improving public safety. He also is calling on Congress to tackle long-term unemployment and underemployment through a new subsidized jobs program. And, he is calling on Congress to eliminate sub-minimum wage provisions in section 14(c) of the Fair Labor Standards Act and expand access to competitive, integrated employment opportunities and fair wages for workers with disabilities.
- **Build the capacity of the existing workforce development and worker protection systems.** The United States has underinvested in the workforce development system for decades. In fact, we currently spend just one-fifth of the average that other advanced economies spend on workforce and labor market programs. This lack of investment impacts all of us: better educated workers create spillover effects for other workers and lack of employment has negative social impacts on communities. President Biden is calling on Congress to invest a combined \$48 billion in American workforce development infrastructure and worker protection. This includes registered apprenticeships and pre-apprenticeships, creating one to two million new registered apprenticeships slots, and strengthening the pipeline for more women and people of color to access these opportunities through successful pre-apprenticeship programs such as the Women in Apprenticeships in Non-Traditional Occupations. This will ensure these underserved groups have greater access to new infrastructure jobs. These investments include the creation of career pathway programs in middle and high schools, prioritizing increased access to computer science and high-quality career and technical programs that connect underrepresented students to STEM and in-demand sectors through partnerships with both institutions of higher education and employers. The President's plan also will support community college partnerships that build capacity to deliver job training programs based on in-demand skills. His plan will better tailor services to workers' job seeking and career development needs through investments in Expanded Career Services and the Title II adult literacy program.

**(STATE) Former “Next Generation” Programs; Current Workforce Expansion Funds**

<b>Program or Grant</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Vermont Internship Program	\$350,000	\$350,000	\$380,000
Vermont Returnship Program	\$100,000	\$100,000	\$100,000
Adult CTE Grants	\$400,000	\$400,000	\$370,000
Vermont Training Grants	\$277,000	\$350,000	\$350,000
Ex-Offender Support Grants	\$75,000		
Administration	\$133,900	\$135,900	\$135,900
<b>TOTAL</b>	<b>\$1,335,900</b>	<b>\$1,335,900</b>	<b>\$1,335,900</b>

**Vermont Internship Program:** The Vermont Internship Program promotes internships by providing grants to organizations who support or connect Vermont employers with student interns from regional career and technical education (CTE) centers or post-secondary educational institutions. Funding may be used to build or administer an internship program or to provide participants with need-based stipends during the internship. In FY 2021, VDOL is awarding \$450,000 in Vermont Internship Program grants through a competitive application process.

In FY 2020, VDOL started including an opportunity for organizations to apply for increased funding if they produced a program match -- which could take the form of funding for program administration, intern stipends, job- related equipment or supplies, mentoring or coaching of employer or intern, and employer incentives. The purpose of the matched grant awards is to expand the availability of high-quality internships by leveraging state investment and promoting private investment in internship opportunities.

FY 2021 Internship Grantees are:

- Fab-Tech, Inc.
- Vermont Vehicle and Automotive Distributors Association
- Catamount Film and Arts Co.
- Mack Molding Company
- Barre Unified Union School District C/O Central VT Career Center
- Castleton University
- Cathedral Square
- Patricia A. Hannaford Regional Technical School District
- University of Vermont and State Agricultural College (for work in Windsor and Windham)
- Vermont Chamber of Commerce
- Green Mountain Transit Authority

Burlington Technical Center  
Collins Perley Sports and Fitness Center, Inc.  
Vermont Works for Women (for work in Windsor and Windham)  
Casella Waste Systems, Inc.  
Vermont Association for the Education of Young Children  
Rutland Economic Development Corporation  
Brattleboro Development Credit Corporation  
Bennington County Regional Commission

**Vermont Returnship Program:** The Vermont Returnship Program was launched in 2018 in partnership with Associates for Training and Development (A4TD). It is designed to provide opportunities for unemployed experienced workers to reenter the workforce, particularly in a new line of work; and to promote labor force retention by allowing workers to explore new and different types of work that better suits their needs. In its second year, the pandemic hit and many in-person activities were suspended. VDOL modified the grant to extend the end of the performance, so final numbers are still pending. Here are examples of how the program is supporting our 2020 applicants:

- A sales executive (55-65) with 30+ years of experience, having successfully recovered from a serious illness, is seeking to reinvent himself as a virtual sales manager for a Vermont-based company. We have secured funding through VSAC and UVM Continuing Education for a Salesforce Certification program. Expertise in this widely used customer relationship management software increases his competitiveness and will open doors for a Returnship.
- Experienced records management professional (55-65) with public/private sector experience who moved to VT in 2018 to enhance her life quality, is seeking a records management position in State Government or private sector. To satisfy the State's certification requirements, we are funding an additional certification through Institute of Certified Records Managers. Our intention is to leverage that certification into a Returnship and/or employment.

**Adult CTE Grants:** Each of the 17 regional CTE centers received \$20,000 to support the delivery of career and technical education to unemployed adults, underemployed adults, and employed adults interested in increasing their skill sets through the adult career and technical education programs. This funding pays for the salary of adult program directors, staff, and instructors. Funding may also be used to support tuition or scholarships for post-secondary students enrolled in an adult program; development of adult course curriculum, supplies for classroom use, and professional development or administrative support that promotes greater collaboration among centers programs in furtherance of a coordinated adult education and

training system. \$60,000 was awarded to the Vermont Adult Career and Technical Education Association (VACTEA) to support the statewide coordination, promotion, and administration of adult career and technical education (CTE) in Vermont. This will include funding for the development of statewide programs, a single site for listing adult CTE courses, work on data and metric collection, and shared marketing and outreach material.

**Vermont Training Grants:** FY2021 grant awards have not been finally awarded as of this testimony. The current grants in development include trainings in health care, childcare, broadband, construction, and cloud-based technical trainings.