

**Section-by-Section Summary**

**H.703 – An act relating to promoting workforce development**

**As Passed the House**

**Sec. 1 appropriates FY 23 funds:**

(a) General Funds:

(1) \$2,500,000.00 to UVM Office of Engagement, in consultation with VSAC, for a statewide forgivable loan program of \$5,000.00 per graduate for recent college graduates across all Vermont higher education institutions who commit to work in Vermont for two years after graduation.

(2) \$387,000.00 to VTC to develop a skilled meat cutter training and apprenticeship facility.

(b) ARPA funds - \$500,000.00 to AHS to provide grants to refugee- or New American-focused programs working in Vermont to support increased in-migration or retention of recent arrivals.

**Sec. 2 – CTE funding and governance findings**

**Sec. 3 – CTE funding and governance study:**

(a) \$180,000.00 General Fund to JFO to contract for services to:

(1) complete a systematic examination of the existing funding structures of career technical education (CTE) in Vermont and how these structures impede or promote the State's educational and workforce development goals;

(2) examine CTE governance structures in relationship to those funding structures;

(3) examine the implications of the existing funding and governance structures for kindergarten through grade 12 schools and adult education;

(4) examine the funding and alignment of early college and dual enrollment;

(5) consider the CTE funding and governance structures in other states in relation to Vermont's unique system of funding education; and

(6) identify and prioritize potential new models of CTE funding and governance structures to reduce barriers to enrollment and to improve the quality, duration, impact, and access to CTE statewide.

(b) contractor shall consult with the consultant and any other stakeholders involved in 2021 Acts and Resolves No. 74, Sec. H.3 adult CTE study

(c) March 1, 2023 - JFO report

(d)(1) AOE to develop an implementation plan, including recommended steps to design and implement new funding and governance models.

(2) July 1, 2023 – AOE report

**Sec. 4 – Appropriation** - \$250,000 GF to ACCD to provide statewide delivery of business coaching and other forms of training to BIPOC business owners, networking and special convenings, and career fairs, workshops and paid internships, career guidance, and other support for BIPOC workers across the State.

**Sec. 5 – Regional Workforce Expansion System – DOL**

(a) Findings

(b) \$1.5 million GF to DOL for two-year pilot project for a coordinated regional system, beginning in three regions of the State, to work toward accomplishing the following goals:

- (1) increase local labor participation rate;
- (2) decrease the number of open positions reported by local employers;
- (3) increase the wages of workers as they transition to new jobs; and
- (4) collect, organize, develop, and share information related to local career pathways with workforce development partners.

(c) Duties. DOL shall:

- (1) create new capacity to address and support State activities related to workforce development, expansion, and alignment;
- (2) focus on the overarching goal of helping workers find jobs and employers find workers;
- (3) support employers in communicating and tailoring their work requirements, conditions, and expectations to better access local workers; and
- (4) collaborate with local education and training providers and regional workforce partners to create and regularly distribute data related to local labor force supply and demand.

(d) System infrastructure. DOL:

- (1) authorized to create four classified, two-year limited-service positions:
  - (A) three Workforce Expansion Specialists assigned, one each, to three different regions of the State; and
  - (B) one to provide oversight and State-level coordination of activities.
- (2)(A) DOL to develop systems for coordination, information sharing, and enhanced support to regional partners, host regional meetings, develop regional plans, and provide localized resources including labor market information, training and development opportunities, and support services.
  - (B) DOL to deliver labor market information reports to support discussion and decision making that will address local labor market challenges and opportunities and support a regional approach to solving local or unique labor supply challenges.

(e) Coordination.

- (1) DOL to convene regional meetings of education, training, business, and service provider partners; coordinate local workforce information collection and distribution; and assist in developing localized career resources, such as information for career counseling, local job fairs, and career expos, that will be available to a wide range of stakeholders.
- (2) Service provider partners shall include community partners who directly serve mature workers, youth, individuals with disabilities, individuals who have been involved with the correction system, BIPOC Vermonters, New Americans, and other historically marginalized populations in efforts to align service delivery, share information, and achieve greater employment outcomes for Vermonters.

(f) Interim report. January 15, 2023

(g) Implementation - on or before July 1, 2022.

**Sec. 6 – Incarcerated Individuals – Workforce Development Pilot Program**

(a) Purpose - to facilitate the education and vocational training of incarcerated individuals so that they have a greater likelihood of obtaining gainful employment and positively contributing to society upon reintegration into the community.

(b) Policy; appropriations.

(1)(A) FY 23 \$420,000.00 GF to DOC in consultation with DOL to address education and vocational enhancement needs. These funds shall not be allocated from any amounts budgeted for Justice Reinvestment II initiatives.

(B) DOC shall use funds for the development of education and vocational training for incarcerated individuals residing in a Vermont correctional facility prior to community reintegration. DOC may allocate the funds over three years:

(i) \$270,000.00 for transition development, including equipment and mobile labs in one or more sites;

(ii) \$100,000.00 for training partner support; and

(iii) \$50,000.00 for curriculum development.

(2) FY 23 \$300,000.00 GF to DOC, over not more than three years, to establish a community-based pilot reentry program at the Chittenden Regional Correctional Facility in consultation with the DOL. DOC to designate a service provider to administer the pilot program's goals to:

(A) provide continuity of services for incarcerated individuals;

(B) expand current employment readiness programs within the facility by building pathways for coordinated transition to employment;

(C) focus on the first six months after individuals are released from the facility;

(D) coordinate with local community resources, parole and probation offices, and other supports to ensure successful transition into the community;

(E) assist individuals in successfully transitioning into new jobs; and

(F) work with employers to support successful hiring and best practices to support incarcerated individuals.

(c) Report. January 15, 2023 DOC report shall:

(1) identify program design, logistical needs, and policy changes to current Department of Corrections facility-based training and educational programs necessary to successfully enable incarcerated individuals' reintegration into their communities, including changes to programs that enhance individuals' skill development, knowledge, and other support needed to qualify for and secure a position in a critical occupation in Vermont;

(2) identify disparities of outcomes and recommend solutions for incarcerated Black, Indigenous, and Persons of Color concerning facility-based training, educational programming, and successful community reintegration;

(3) provide an update on the Department of Corrections' use of education and vocational enhancement funding in fiscal year 2023;

(4) provide recommendations on what aspects of the pilot program should be replicated in other correctional facilities in Vermont; and

(5) provide recommended legislation for the continuation of the pilot program or any changes.

**Sec. 7 – Legislative intent – DOC recruitment**

**Sec. 8 – Improvement of Correctional Officer Recruitment and Retention; Report**

(a) January 15, 2023, AHS et al. report identifying conditions that pose an obstacle to the successful recruitment and retention of correctional officers and setting forth a plan to improve the recruitment and retention of correctional officers.

(b)(1) analyze the impact of

(A) wages and benefits;

(B) terms and conditions of employment;

(C) working conditions in DOC facilities, including health and safety issues and the physical condition of the facilities; and

(D) staffing levels and overtime.

(2) analyze how the following states compare to Vermont and shall identify any best practices in those states that could improve recruitment and retention of correctional officers in Vermont:

(A) Maine;

(B) New Hampshire;

(C) New York;

(D) Massachusetts;

(E) Rhode Island; and

(F) Connecticut.

(c) identify specific administrative and legislative actions that are necessary to successfully improve the recruitment and retention of correctional officers.

**Sec. 9 – Assessment of Recruitment and Retention Initiatives; Report**

(a) January 15, 2023 AHS et al, report regarding the use of funds appropriated pursuant to 2022 Acts and Resolves, No. 83:

(1) Sec. 14 for employee recruitment and retention at:

(A) the secure residential recovery facility; and

(B) the Vermont Psychiatric Care Hospital;

(2) Sec. 68 for employee retention with respect to:

(A) the Department of Corrections; and

(B) the Vermont Veteran’s Home; and

(3) Sec. 72 for workforce recruitment and retention incentives with respect to designated and specialized service agencies, including shared living providers.

(b) assess how effective the appropriations identified pursuant to subsection (a) of this section were in addressing issues related to employee recruitment and retention; identify any ongoing or remaining employee recruitment and retention challenges that the recipients have; and identify any potential legislative, administrative, or programmatic changes that can address those ongoing or remaining employee retention issues.

(c) also recommend whether and how to appropriate additional funds in the 2023 Budget Adjustment Act to address ongoing recruitment and retention challenges at:

(1) the Vermont Veteran’s Home;

(2) the Vermont Psychiatric Care Hospital;

(3) the secure residential recovery facility;

(4) designated and specialized service agencies; and

(5) the Department of Corrections' facilities with respect to individuals employed as a Correctional Officer I or a Correctional Officer II.

**Sec. 10** – Repeals 10 VSA §§ 544-545 (internship; returnship)

**Sec. 11** – adds 10 VSA § 547:

§ 547. WORK-BASED LEARNING AND TRAINING PROGRAM

(a) Vermont Work-Based Learning and Training Program. The Department of Labor shall develop the statewide Work-Based Learning and Training Program that serves transitioning secondary and postsecondary students and Vermonters seeking work-based experience as part of a career experience or change and is designed to:

(1) support Vermonters who are graduating from postsecondary education or a secondary CTE program or who are pursuing a career change with a paid on-the-job work experience lasting 12 weeks or fewer;

(2) establish a statewide platform available to all employers to list their internships, returnships, pre-apprenticeships, and registered apprenticeship opportunities and for jobseekers to view and access information about specific opportunities; and

(3) support employers by providing them with assistance in developing and implementing meaningful work-based learning and training opportunities.

(b) Definitions. As used in this section:

(1) "Internship" means a work-based learning experience with an employer where the participant may, but does not necessarily, receive academic credit.

(2) "Returnship" means an on-the-job learning experience for an individual who is returning to the workforce after an extended absence or is seeking a limited-duration on-the-job work experience in a different occupation or occupational setting as part of a career change.

(c) Activities. The Department may use funds appropriated to it for the Program to:

(1) build and administer the Program;

(2) develop an online platform that will connect students and jobseekers with work-based learning and training opportunities within Vermont;

(3) support work-based learning and training opportunities with public and private employers available to prospective workers located in or relocating to Vermont;

(4) promote work-based learning and training as a valuable component of a talent pipeline; and

(5) assist employers in developing meaningful work-based learning and training opportunities.

(d) Data. The Department shall collect the following data:

(1) the total number of participants served;

(2) the number of participants who received wage assistance or other financial assistance as part of this Program and their employment status one year after completion;

(3) the average wage of participants in subdivision (2) of this subsection at the start of the Program and the average wage of participants one year after completion;

(4) the number of work-based learning or training opportunities listed on the platform; and

(5) the number of employers who offered a work-based learning or training opportunity.

(e) State participation. The Department shall engage appropriate State agencies and departments to expand Program opportunities with State government and with entities awarded State contracts.

(f) Reporting. On or before February 15, 2023, the Department shall report Program data to the relevant committees of jurisdiction.

**Sec. 12 – Work-Based Learning and Training Program; Appropriation**

— FY 23 \$1.5m GF to DOL to implement Program

**Sec. 13 – Secondary Student Industry-Recognized Credential Pilot Project**

- Creates DOL/AOE pilot project using existing State/federal funds, or up to \$100k of DOL FY 23 funds, to pay tuition costs for a secondary student to take an adult CTE summer, evening, or weekend course at a regional CTE center related to their PLP/career goal

**Sec. 14 – Vermont Trades Scholarship Program**

- FY 23 \$3m program through VSAC to provide scholarships for initial licensing fees, exam fees, and tuition payments for a student:
  - (1) enrolled in an industry recognized training and certification program that leads to initial employment or career advancement in a building, mechanical, industrial, or medical trade, or in clean energy, energy efficiency, weatherization, or clean transportation;
  - (2) demonstrates financial need;
  - (3) registered with the Vermont Department of Labor for the purpose of receiving relevant job referrals, if unemployed; and
  - (4) agrees to work in their profession in Vermont for a minimum of one year following licensure or certification completion for each year of scholarship awarded.

**Sec. 15 – Vermont Trades Loan Reimbursement Program**

- FY 23 \$500,000 program through VSAC to loan repayment for a student:
  - (1) Vermont resident;
  - (2) employed in an occupation in the building, mechanical, industrial, or medical trades, or in the clean energy, energy efficiency, weatherization, or clean transportation sectors, for an average of at least 30 hours per week for least one full calendar year before applying.

(c) For every year of work in a qualifying occupation, an individual shall be eligible for up to \$5,000.00 in loan repayment reimbursement. Reimbursements shall not exceed the total amount of educational debt owed.

**Sec. 16 – CTE Construction and Rehabilitation Experiential Learning Program; Revolving Loan Fund**

- \$15m to VHCB to make loans to CTE centers to purchase, permit, and renovate buildings through construction projects by CTE students
- Projects are: rehabilitation of blighted or non-code-compliant residential; new residential or improvements to land in cases of critical community need; or commercial construction project with substantial community benefit

**Sec. 17 – Early Childhood Education – Findings**

**Sec. 18 – Early Childhood Education – Legislative Intent**

**Sec. 19. Health care workforce; legislative intent**

- Expresses legislative intent to retain and recruit health care workers in Vermont by reinforcing the current health care workforce and sustaining workers into the future

**Sec. 20. Emergency grants to support nurse educators**

- Appropriates \$3 million in ARPA funds to the Department of Health (VDH) in FY23 to be distributed over three years to increase compensation for nursing school faculty and staff

**Sec. 21. Nurse preceptor incentive grants; hospitals; working group; report**

- Appropriates \$2.4 million from General Fund to Agency of Human Services (AHS) in FY23 for incentive grants to hospital-employed nurses to be preceptors for nursing school students
- Requires Director of Health Care Reform in AHS to convene a stakeholder group to develop an action plan for increasing clinical placement opportunities for nursing students and establishing sustainable funding models for nurse preceptors; report due January 15, 2023

**Sec. 22. Health care employer nursing pipeline and apprenticeship program**

- Appropriates \$3 million in ARPA funds to Vermont Student Assistance Corporation (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 to train members of their existing staff to become higher-level nursing professionals
- Program would cover tuition and fees and provide trainees with assistance in meeting living costs while attending the program; enrollment should begin in fall 2022
- Requires VSAC to provide Health Reform Oversight Committee with an update on program implementation by September 15, 2022

**Secs. 23-25. Vermont Nursing Forgivable Loan Incentive Program**

- Sec. 23 codifies and expands an existing nurse scholarship program established in Act 155 of 2020 as a forgivable loan program administered by VDH in

collaboration with VSAC; adds eligibility for students pursuing graduate nursing education

- Recipients must agree to work as a nurse in Vermont for at least one year for each year of scholarship loan forgiveness
- Sec. 24 repeals an existing educational assistance incentive program for nursing students
- Sec. 25 appropriates \$100,000 in Global Commitment investment funds to VDH in FY23

**Secs. 26-27. Vermont Nursing and Physician Assistant Loan Repayment Program**

- Sec. 26 creates the Vermont Nursing and Physician Assistant Loan Repayment Program to be administered by VDH in collaboration with VSAC, to provide loan repayment for nurses and physician assistants who live and work in Vermont and who graduated within past five years
  - Recipients get one year of loan repayment for each year of service as a nurse or physician assistant
- Sec. 27 appropriates \$2 million in ARPA funds to VDH in FY23 for Program

**Secs. 28-29. Nurse Educator Forgivable Loan and Loan Repayment Program**

- Sec. 28 creates the Nurse Educator Forgivable Loan and Loan Repayment Program to be administered by VDH in collaboration with VSAC, to provide forgivable loans to students who commit to working as nurse educators at Vermont nursing schools and to provide loan repayment for individuals who work as nurse educators at Vermont nursing schools
  - “Nurse educator” means a nurse with a master’s or doctoral degree that qualifies the individual to teach at a Vermont nursing school
  - For a forgivable loan, must be enrolled in a program that leads to a graduate degree in nursing and commit to working as a nurse educator in Vermont for one year for each one year of forgivable loan benefit received
  - For loan repayment, must have received a graduate degree in nursing during past five years, live in Vermont, and commit to working as a nurse educator in Vermont for one year for each year of loan repayment
- Sec. 29 appropriates \$500,000 in ARPA funds to VDH in FY23 for Program

**Sec. 30. Green Mountain Care Board; hospital budget review**

- As part of its annual hospital budget review duties, directs Green Mountain Care Board to review each hospital’s investments in workforce development initiatives and to consider the salaries for the hospital’s executive and clinical leadership and its salary spread

**Sec. 31. Green Mountain Care Board FY23 hospital budget review**

- Allows Green Mountain Care Board, during FY23 hospital budget review, to exclude some or all of a hospital’s investments in nursing workforce development initiatives from any otherwise applicable financial limitations on the hospital’s budget or budget growth



**Sec. 32. Agency of Human Services; Health Care Workforce Data Center**

- Appropriates \$1 million in ARPA funds to Office of Health Care Reform in AHS to establish and operate the statewide Health Care Workforce Data Center
- Creates Health Care Workforce Data Center Manager position to manage the Center

**Sec. 33. Office of Professional Regulation; barriers to mental health licensure; report**

- Requires Office of Professional Regulation to report by January 15, 2023 on barriers to licensure for mental health and substance use disorder treatment professionals

**Sec. 34. Agency of Human Services; position; appropriation**

- Creates a three-year limited-service Health Care Workforce Coordinator position in Office of Health Care Reform in AHS to support the health care workforce initiatives in this act and in the Health Care Workforce Development Strategic Plan
- Appropriates \$170,000 from the General Fund to AHS, Office of Health Care Reform in FY23 for position, of which \$120,000 is for personal services and \$50,000 for operating expenses

**Sec. 35. Department of Labor; Green Mountain Care Board; supply and demand modeling**

- Requires Department of Labor, in collaboration with Green Mountain Care Board, to explore and recommend by January 15, 2023 a process, methodology, and funding necessary to create the capacity to perform health care supply and demand modeling based on information from the Health Care Workforce Data Center

**Sec. 36. Department of Financial Regulation; Green Mountain Care Board; prior authorizations; administrative cost reduction; report**

- Directs Department of Financial Regulation (DFR) to explore the feasibility of requiring health insurers to access clinical data from the Vermont Health Information Exchange to support prior authorization requests
- Requires DFR to direct health insurers to provide prior authorization information to DFR in a standardized format so DFR can look at opportunities for aligning and streamlining prior authorization request processes
- Requires DFR and Green Mountain Care Board to recommend by January 15, 2023 statutory changes needed to align and streamline prior authorization across health insurers

**Sec. 37 – Student Loan Repayment Assistance**

- Amends 33 V.S.A. § 3543 to exempt employees of Vermont Hard Start from requirement to work an average of 30 hours per week for 48 weeks per year to qualify from student loan repayment assistance

**Sec. 38 – Pilot Program; Positions Embedded within Recovery Centers**

- FY 23 \$1,290,000 GF to DAIL to authorize 15 FTE limited-service positions embedded within 12 recovery centers:

- \$540,000.00 total allocated in equal amounts to fund the following 2.5 FTE at each of two geographically diverse recovery centers:
  - (i) one FTE to serve as an employment counselor within the Division of Vocation Rehabilitation;
  - (ii) one FTE to serve as an employment consultant within the Vermont Association of Business Industry and Rehabilitation; and
  - (iii) 0.5 FTE to serve as Employment Assistance Program staff within the Division of Vocation Rehabilitation.
- \$75,000.00 shall be allocated in equal amounts to fund one FTE who shall serve as an employment support counselor at each of the 10 remaining recovery centers in the State.

**Sec. 39 – Credential of Value Goal; Public-Private Partnership; Appropriation**

- FY 23 \$150,000 GF to VSAC for a performance-based contract to perform duties, in coordination and alignment with State partners, in support of the State’s goal articulated in 10 V.S.A. § 546 that 70 percent of working-age Vermonters hold a credential of value by 2025 (Goal):
- Conduct outreach, increase public awareness, coordinate with stakeholders, etc.

**Sec. 40 – Vermont Serve, Learn, and Earn Program; Appropriation**

- FY 23 \$2m GF to DFPR for funding capital and operating needs of groups participating in Vermont Serve, Learn, and Earn Program

**Sec. 41 – Adult Education and Literacy; Findings**

**Secs. 42-45 – Forest Future Strategic Roadmap**

- Sec. 42 – Findings
- Sec. 43 – codifies 10 V.S.A. chapter 82 to charge DFPR with creating the Vermont Forest Future Strategic Roadmap to strengthen, modernize, promote, and protect the forest products sector in Vermont
- Sec. 44 – Implementation – 7/1/23 draft recommendations; 1/1/24 – final report and recommendations
- Sec. 45 – Appropriation – FY 23 \$250,000 GF to DFPR for 2-year contract to develop Roadmap

**Sec. 46 – ERG Reversion**

- Reverts \$8m ARPA funds from ERG program to ARPA; and
- Reverts any remaining ARPA funds in ERG at close of FY22

**Sec. 47 – Effective Dates – 7/1/22, except**

- (1) Sec. 13 (Secondary Student Industry Recognized Credential Pilot Project) and Sec. 46 (Economic Recovery Grant Program funding) shall take effect on passage.
- (2) Sec. 30 (18 V.S.A. § 9456) shall take effect on January 1, 2023 and shall apply to hospital fiscal years 2024 and after.