



VERMONT LEGISLATIVE
Joint Fiscal Office

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Fiscal Note

March 21, 2023

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H.484 – An act relating to enhancing workforce and economic development opportunities

As introduced by the House Committee on Commerce and Economic Development

Bill Summary

This makes several appropriations for programs that educate, train, and help businesses hire and retain workers. The bill includes appropriations for forgivable loan programs, scholarships, degree and certificate programs, assistance to businesses and other miscellaneous proposals to enhance workforce and economic development opportunities in the State.

Fiscal Impact

JFO estimates the bill would have a fiscal impact of \$41.4 million in fiscal year 2024. This includes approximately \$41.3 million in appropriations and \$105,000 in forgone fee revenue. Of the appropriations, approximately \$39.1 million would be general funds, \$1.7 million would be federal funds as part of a Global Commitment match, and \$500,000 would be from the Education Fund. The bill also includes a suspension of teacher licensing fees for fiscal years 2024 through 2029, which JFO estimates would result in approximately \$105,000 in annual forgone revenue.

| Appropriations (millions) | | |
|----------------------------------|---------------|-------------|
| Fund | Amount | Fiscal Year |
| General Fund | \$39.1 | 2024 |
| Federal Funds | \$1.7 | 2024 |
| Education Fund | \$0.5 | 2024 |
| Total | \$41.3 | 2024 |
| Revenue (millions) | | |
| Program | Annual Amount | Fiscal Year |
| Teacher Licensing Fee Suspension | -\$0.1 | 2024-2029 |

Background and Details

Revenue Impact

Teacher Licensing Fee Suspension

Section 3 suspends the peer review process one-time licensure fee requirements that are established under

16 V.S.A. § 1697(a)(7) for fiscal years 2024 through 2029. JFO estimates this fee suspension would result in approximately \$105,000 in annual foregone revenues to the Teacher Licensing Fund. Over the five-year period from fiscal year 2024 through fiscal year 2029 this would result in \$525,000 in forgone revenue to the Fund.

Appropriations

Vermont Teacher Forgivable Loan Incentive Program

Section 4 appropriates \$2,500,000 in General Fund dollars in fiscal year 2024 to the Vermont Student Assistance Corporation (VSAC) to provide forgivable loans to students enrolled in an eligible school who commit to working as a teacher at a Vermont public school for at least one year through a grant program established in Section 1 of the bill.

Emerging Pathways Grant Program

Section 4 also appropriates \$500,000 from the Education Fund to the Agency of Education (AOE) in fiscal year 2024 to fund the Emerging Pathways Grant Program established in the Section 2 of the bill. The program will provide grants to expand support, mentoring, and professional development for prospective educators seeking licensure. Absent any other changes in policy, the base homestead yield and/or base nonhomestead tax rate would need to be adjusted to account for the appropriation from the Education Fund.

Educator Workforce Diversity

Section 5 appropriates \$30,000 from the General Fund in fiscal year 2024 to AOE to fund the Historically Underrepresented Educator Affinity Groups Grant Program. The program will provide grants to support existing and the development of new educator affinity groups for historically underrepresented groups.

Professional Development Contract

Section 6 appropriates \$500,000 from the General Fund in fiscal year 2024 to the Department of Corrections to contract with a vendor to provide supervisory and management professional development services to the Department's employees.

Vermont Serve, Learn, and Earn Program

Section 8 appropriates \$2,400,000 from the General Fund in fiscal year 2024 to the Department of Forests, Parks and Recreation to continue the pilot project Vermont Serve, Learn, and Earn Program. This program supports workforce development goals through paid service and learning opportunities for young adults.

Adult Education and Literacy

Section 9 appropriates \$1,500,000 from the General Fund in fiscal year 2024 to AOE for adult learning services.

Climate Workforce Education Campaign – Advance Vermont

Section 10 appropriates \$250,000 from the General Fund in fiscal year 2024 to VSAC to create a three-year climate workforce-focus public education campaign. The program will engage current and prospective employees, young Vermonters, adults interested in career changes, and individuals without a postsecondary credential or those interested in upskilling.

Vermont Sustainable Jobs Fund

Section 11 appropriates \$60,000 from the General Fund in fiscal year 2024 to the Agency of Commerce and Community Development (ACCD) to subgrant to the Vermont Sustainable Jobs Fund for a three-year period to expand its Business Coaching program. The fund will recruit a group of up to 12 Vermont companies and up to 12 trained tradespeople to receive business assistance so they can pivot their existing

business or start a new business in a way that will deploy renewable energy and efficiency technologies in the State.

University of Vermont Office of Engagement

Section 12 appropriates \$2,500,000 from the General Fund in fiscal year 2024 to the University of Vermont (UVM), in consultation with VSAC, for additional forgivable loans of \$5,000 per graduate who commits to working in Vermont for two years after graduation.

Restorative Justice Bachelor of Science

Section 13 appropriates \$700,000 from the General Fund in fiscal year 2024 to Vermont State Colleges (VSC) to establish a Bachelor of Science program in restorative justice.

Certificate in 3-D Technology

Section 15 appropriates \$1,500,000 from the General Fund in fiscal year 2024 to VSC to establish a certificate in 3-D Technology program which will be a full-time, six-week, residential summer program at the Randolph and Castleton campuses.

Critical Occupations Scholarships

Section 16 appropriates \$3,800,000 from the General Fund in fiscal year 2024 to VSC to provide Critical Occupations Scholarships for students with a household income of \$75,000 or less enrolled in education programs that lead to a career in an occupation with critical need, including early childhood care, clinical mental health counseling, criminal justice occupations, and nursing.

Upskilling Vermont Scholarships

Section 17 appropriates \$3,000,000 from the General Fund in fiscal year 2024 to the UVM to provide free additional classes through the Upskill Vermont Scholarship Program for Vermont residents seeking to transition to a new career or to enhance job skills.

Vermont Trades Scholarships

Section 18 appropriates \$1,000,000 from the General Fund in fiscal year 2024 to VSAC to provide additional scholarships through the Vermont Trades Scholarship Program created in Act 183 of 2022.

Vermont Training Program

Section 19 appropriates \$5,000,000 from the General Fund in fiscal year 2024 to the Vermont Training Program to fulfill Vermont's obligation to procure incentives in accordance with the Produce Semiconductors for America (CHIPS) Act.

Credential of Value Goal

Section 20 appropriates \$350,000 from the General Fund in fiscal year 2024 to VSAC for a performance-based contract to support the goal that 70 percent of working-age Vermonters hold a credential of value by 2025.

United Way of Lamoille County – Working Bridges

Section 21 appropriates \$255,026 from the General Fund in fiscal year 2024 to the Agency of Human Services (AHS) to subgrant to the United Way of Lamoille County to expand resource coordination for employee stability through the Working Bridges program.

Psychiatric Mental Health Nurse Practitioners

Section 23 appropriates \$1,000,000 from the General Fund in fiscal year 2024 to VSAC for the Psychiatric Mental Health Nurse Practitioner Forgivable Loan Incentive Program created in 18 V.S.A. § 39.

Emergency Medical Services Training

Section 24 appropriates \$1,000,000 from the General Fund in fiscal year 2024 to the Vermont Department of Health (VDH) to provide training for emergency medical services personnel.

Vermont Nursing Forgivable Loan Incentive Program

Section 25 appropriates \$3,000,000 in Global Commitment funds in fiscal year 2024 to VDH forgivable loans for nursing students. Of this, \$1,695,600 will be federal funds and the balance of \$1,304,400 will be General Fund dollars.

Healthcare Workforce Position

Section 26 appropriates \$170,000 from the General Fund in fiscal year 2024 to AHS for one additional year of funding for the classified, three-year limited-service Health Care Workforce Coordinator at the Office of Health Care Reform created in Act 183 of 2022.

Agency of Human Services Designated and Specialized Service Agencies

Section 28 appropriates \$4,000,000 from the General Fund in fiscal year 2024 to AHS for distribution to the designated and specialized service agencies for student loan forgiveness and tuition assistance.

Small Business Technical Assistance

Section 30 appropriates \$1,250,000 from the General Fund in fiscal year 2024 to ACCD to establish the Small Business Technical Assistance Exchange, established in Section 29 of the bill, to provide grants of no more than \$5,000 per business for technical services.

National Endowment for the Arts

Section 31 appropriates \$72,000 from the General Fund in fiscal year 2024 to the Vermont Arts Council to provide the State match for National Endowment for the Arts funding.

Rural Industry Development Fund

Section 36 creates the Rural Industry Development Grant Program which will provide grants through local development corporations for business relocation and expansion efforts. It establishes the Rural Industry Development Grant Fund for this purpose. Grants shall not exceed \$1,000,000 or 20 percent of the total project cost. Section 37 transfers \$10,000,000 from the General Fund in fiscal year 2024 to the Rural Industry Development Grant Fund.

Summary Table of Appropriations

| Section | Entity | Description | Amount | Source |
|---------|--------|---|-------------|----------------|
| Sec. 2 | VSAC | VT Teacher Forgivable Loan Incentive Program | \$2,500,000 | General Fund |
| Sec. 4 | AOE | Emerging Pathways Grant Program | \$500,000 | Education Fund |
| Sec. 5 | AOE | Educator Workforce Diversity | \$30,000 | General Fund |
| Sec. 6 | DOC | Professional Development Contract | \$500,000 | General Fund |
| Sec. 8 | FPR | VT Serve, Learn & Earn Program | \$2,400,000 | General Fund |
| Sec. 9 | AOE | Adult Education and Literacy | \$1,500,000 | General Fund |
| Sec. 10 | VSAC | Climate Workforce Education Campaign - Advance VT | \$250,000 | General Fund |
| Sec. 11 | ACCD | VT Sustainable Jobs Fund | \$60,000 | General Fund |
| Sec. 12 | UVM | Office of Engagement - UVM with VSAC - forgivable loans | \$2,500,000 | General Fund |
| Sec. 13 | VSC | Restorative Justice BA | \$700,000 | General Fund |
| Sec. 15 | VSC | Certificate in 3-D Technology | \$1,500,000 | General Fund |
| Sec. 16 | VSC | Critical Occupations Scholarships | \$3,800,000 | General Fund |
| Sec. 17 | VSC | Upskill VT Scholarships | \$3,000,000 | General Fund |
| Sec. 18 | VSC | VT Trades Scholarships | \$1,000,000 | General Fund |
| Sec. 19 | VSC | VT Training Program | \$5,000,000 | General Fund |
| Sec. 20 | VSAC | Credential of Value Goal | \$350,000 | General Fund |

| | | | | |
|----------------|-----------------|--|---------------------|--------------------------|
| Sec. 21 | AHS | United Way of Lamoille County - Working Bridges | \$255,026 | General Fund |
| Sec. 23 | VSAC | Psychiatric Mental Health Nurse Practitioners | \$1,000,000 | General Fund |
| Sec. 24 | VDH | EMS Training | \$1,000,000 | General Fund |
| Sec. 25 | VDH/AHS | VT Nursing Forgivable Loan Incentive Program | \$1,304,400 | General Fund |
| Sec. 25 | VDH/AHS | VT Nursing Forgivable Loan Incentive Program | \$1,695,600 | Federal Funds |
| Sec. 25 | VDH/AHS | VT Nursing Forgivable Loan Incentive Program | \$3,000,000 | Global Commitment |
| Sec. 26 | AHS | Health Care Workforce Position | \$170,000 | General Fund |
| Sec. 28 | AHS | Agency of Human Services Designated and Specialized Service Agencies | \$4,000,000 | General Fund |
| Sec. 30 | ACCD | Small Business Technical Assistance | \$1,250,000 | General Fund |
| Sec. 31 | VT Arts Council | State match for NEA grant | \$72,000 | General Fund |
| Sec. 37 | ACCD | Rural Industry Development Fund | \$5,000,000 | General Fund |
| | | General Fund Total | \$39,141,426 | |
| | | Federal Funds Total | \$1,695,600 | |
| | | Education Fund Total | \$500,000 | |
| | | Total | \$41,337,026 | |