

No. 107. An act relating to vocational rehabilitation and apprenticeships.

(S.173)

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 21 V.S.A. § 641 is amended to read:

§ 641. VOCATIONAL REHABILITATION

(a) When as a result of an injury covered by this chapter, an employee is unable to perform work for which the employee has previous training or experience, the employee shall be entitled to vocational rehabilitation services, including retraining and job placement, as may be reasonably necessary to restore the employee to suitable employment. Vocational rehabilitation services shall be provided as follows:

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(2) The Department shall provide an injured worker with a form that includes information and employee rights. The form shall clearly and simply explain the worker's rights, including the choice of provider, the right to challenge a determination, the right to request vocational rehabilitation services in the future if the work injury affects the worker's ability to earn the worker's preinjury wage, and reimbursement for related expenses. The worker shall sign the form and return it to the Department.

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Sec. 2. VOCATIONAL REHABILITATION WORKING GROUP; REPORT

(a) Creation. There is created the Vocational Rehabilitation Working Group to provide recommendations to the General Assembly on how to improve the current vocational rehabilitation system to ensure that it meets the needs of eligible injured workers in a timely and cost-effective manner.

(b) Membership. The Working Group shall be composed of the following members:

(1) one current member of the House of Representatives, appointed by the Speaker of House, who shall be a member of the Committee on Commerce and Economic Development;

(2) one current member of the Senate, appointed by the Committee on Committees, who shall be a member of the Committee on Economic Development, Housing and General Affairs;

(3) the Commissioner of Labor or designee;

(4) the Commissioner of Financial Regulation or designee;

(5) two representatives on behalf of workers' compensation claimants, one of whom shall be appointed by the Speaker of the House and one of whom shall be appointed by the Committee on Committees;

(6) two representatives on behalf of employers and workers' compensation insurance carriers, one of whom shall be appointed by the Speaker of the House and one of whom shall be appointed by the Committee on Committees; and

(7) two vocational rehabilitation counselors currently certified in Vermont, one of whom shall be appointed by the Speaker of the House and one of whom shall be appointed by the Committee on Committees.

(c) Powers and duties. The Working Group shall meet over the summer and fall to discuss and develop recommendations on how to improve the current vocational rehabilitation system and prepare recommendations for consideration by the General Assembly. The Working Group shall consider the following topics:

(1) Initial screening.

(A) Is the current initial screening requirement relevant and helpful or a hindrance to accessing vocational rehabilitation services?

(B) Do other states require an initial screening before a claimant receives a vocational rehabilitation assessment? What are other possible approaches that Vermont may wish to consider?

(C) Should the three questions currently asked as part of the initial screening be modified? Are there additional or different questions that should be asked?

(D) What improvements could be made to ensure that those conducting the initial screenings and vocational rehabilitation providers who provide services to workers' compensation claimants are familiar with Vermont's workers' compensation system?

(E) Who has current oversight over the initial screening process to ensure that the system is working as intended?

(2) Vocational rehabilitation generally.

(A) What mechanisms could better and earlier identify which claimants are likely to require vocational rehabilitation services?

(B) Are claimants being adequately and timely informed of their right to request a vocational rehabilitation assessment? Is information about the workers' compensation system and benefits as a whole being clearly conveyed in plain, easily understood language?

(C) Are some of the current requirements for providing vocational rehabilitation services too onerous and administratively unnecessary?

(D) How could vocational rehabilitation services be provided in a way that is more cost-effective for the workers' compensation system?

(E) How could the Department of Labor's oversight of vocational rehabilitation be improved?

(3) Wage replacement benefits.

(A) Could utilization of vocational services be improved by enabling claimants to access vocational rehabilitation benefits while receiving wage replacement benefits?

(B) Could the workers' compensation system take into account the diminished earning capacity of those claimants who are unable to earn a

preinjury wage but are not eligible to receive permanent total disability benefits?

(C) Should the average weekly wage be indexed to the cost of living for vocational rehabilitation purposes?

(d) Meetings. The Commissioner of Labor or designee shall serve as the chair of the Working Group and shall call the first meeting of the Working Group to occur on or before August 14, 2026.

(e) Assistance. The Working Group shall have the administrative, technical, and legal assistance of the Department of Labor.

(f) Report. On or before December 15, 2026, the Working Group shall submit a written report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs with its findings and any recommendations for legislative action. The Working Group shall cease to exist upon submission of the report.

(g) Compensation and reimbursement.

(1) Except for those members regularly employed by the State, members of the Working Group shall be entitled to reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than five meetings. These payments shall be made from monies appropriated to the Department of Labor.

(2) A legislative member of the Working Group serving in the member's capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than five

meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. 3. 21 V.S.A. chapter 13 is amended to read:

CHAPTER 13. APPRENTICESHIP

§ 1111. DEFINITIONS

As used in this chapter:

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(22) “Nontraditional apprenticeship population” means a group of individuals who have historically been excluded from various occupations, such as individuals from the same gender, race, or ethnicity, the members of which comprise fewer than 25 percent of the program participants in an apprenticeable occupation.

(23) “Nontraditional apprenticeship industry or occupation” refers to an industry sector or occupation that represents fewer than 10 percent of apprenticeable occupations or the programs under the national apprenticeship system, using the calendar year 2023 as the benchmark.

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(33) “Underserved communities” means the populations sharing a particular characteristic, as well as geographic communities, who have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life. This term includes individuals who ~~belong to~~ ~~communities of color, such as Black and African American, Hispanic and~~

~~Latino, Native American, Alaskan Native and Indigenous, Asian American, Native Hawaiian and Pacific Islander, Middle Eastern, and North African persons. It also includes individuals who belong to communities that face discrimination based on sex, sexual orientation, and gender identity, including lesbian, gay, bisexual, transgender, queer, gender non-conforming, and non-binary (LGBTQ+ persons); persons who face discrimination based on pregnancy or pregnancy-related conditions; parents; and caregivers. It also includes individuals who belong to communities that face discrimination based on their religion and disability; first-generation professionals or first-generation college students; individuals with limited English proficiency; immigrants; individuals who belong to communities that may face employment barriers based on older age or former incarceration; persons who live in rural areas; veterans and military spouses; and persons otherwise adversely affected by persistent poverty, discrimination, or inequality;~~

(A) face employment barriers based on age or former incarceration;

(B) live in rural areas;

(C) lack access to transportation options or high-speed internet;

(D) are veterans or spouses of veterans; and

(E) are otherwise adversely affected by poverty, discrimination, or

inequality. Individuals may belong to more than one underserved community and face intersecting barriers.

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§ 1113. VERMONT REGISTERED APPRENTICESHIP PROGRAM

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(e) Strategic planning and reporting. The Vermont Registered Apprenticeship Program shall:

(1) develop and disseminate a strategic plan once every five years, beginning on July 1, ~~2024~~ 2026, which shall include information on how the Program will implement the requirements of this chapter;

(2) prepare and submit to the Vermont General Assembly an annual report on the status of the Vermont Registered Apprenticeship Program on or before December 1 of each year that includes:

(A) ~~general program~~ Program statistics, including a list of programs by county;

(B) an analysis of apprentices in the ~~program~~ Program disaggregated by age, race, sex, gender identity, ~~New American status~~ language access needs, Veteran status, disability, industry, and education status, including participation in career ~~and~~ technical education;

(C) nontraditional occupations by gender and race;

(D) new occupations approved;

(E) an analysis of the average starting and ending wage by occupation;

(F) new sponsors, employers, or industries involved with programs over the previous period;

(G) a summary of how allocated funds were used and analysis of the impact of those funds, including uses of any federal funds awarded during the year; and

(H) a summary of significant activities of the program ~~Program~~.

§ 1114. VERMONT APPRENTICESHIP ADVISORY BOARD

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(c) Duties. The Board shall:

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(6) Create and convene working groups that are tasked with specific activities related to improving the quality, safety, diversity, and alignment of apprenticeship programs. Working group membership is not limited to appointed members of the Board and shall be selected and serve at the discretion of the Chair.

(7) Ensure that the registered apprenticeship program addresses barriers to participation and completion of the program, including underserved populations.

(8) Strengthen relationships with community partners that serve:

(A) underserved populations and historically marginalized communities that have not previously accessed apprenticeship programs; and

(B) individuals who face systemic barriers to participation in the program as evidenced by a disproportionate lack of participation in apprenticeship programs.

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§ 1119. APPRENTICES REGISTERED; AGREEMENT

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(c) An apprenticeship agreement shall contain:

(1) the names and signatures of the apprentice, of the program sponsor or employer, and of a parent or guardian of the apprentice if the apprentice is a minor;

(2) the date of birth ~~and Social Security number~~ of the apprentice;

(3) the contact information of the program sponsor and the Vermont Registered Apprenticeship Program;

(4) a statement of the occupation in which the apprentice is to be trained and the beginning date and duration of apprenticeship;

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(12) to conform to the federal Equal Employment Opportunity Act of 1972, 42 U.S.C. chapter 21, subchapter VI and for affirmative action compliance in apprenticeship programs, and for compliance with reporting and analysis of the Vermont Registered Apprenticeship Program, the voluntary disclosure of the apprentice's race, color, national origin, place of birth, sex, gender, gender identity, primary language spoken, age, veteran status, sexual orientation, ~~ethnicity~~, and disability status; ~~and~~

(13) if the apprentice completed secondary school in Vermont and is between 18 and 25 years of age, the name of the secondary school from which

the apprentice is a graduate, and if the apprentice attended a regional CTE center, the name of the center where the apprentice received technical education while in secondary school;

(14) a statement that the apprentice will be accorded equal opportunity in all phases of apprenticeship employment and training, without discrimination because of race, color, national origin, place of birth, sex, gender, gender identity, sexual orientation, age, primary language spoken, genetic information, veteran status, and disability status; and

(15) optional fields for:

(A) the Social Security number of the apprentice; and

(B) the demographic characteristics of the apprentice.

(d) An apprenticeship agreement shall not be modified unless it is in writing and signed by the parties.

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§ 1123. PRE-APPRENTICESHIP PROGRAMS

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(b) A pre-apprenticeship program may be ~~registered~~ certified by the Department after successfully demonstrating:

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§ 1124. YOUTH APPRENTICESHIP PROGRAMS

(a) A youth apprenticeship program is one that prepares a youth apprentice for acceptance into an apprenticeship program and is designed for youth apprentices who ~~start the program while still enrolled in high school;~~

(1) have not completed secondary education;

(2) are in an educational program approved by the Agency of Education;

and

(3) are enrolled in a career technical education program.

(b) A youth apprenticeship program may be registered by the Department after ~~submitting~~ a regional CTE center submits the following information to the Department:

(1) a written plan that articulates the work processes and how a youth apprentice will receive supervised work experience and on-the-job training or training in an experiential setting;

(2) how time spent by a youth apprentice in each major work process will be spent or that specifies how competencies or proficiencies are aligned between ~~their~~ the youth's high school education and the youth apprenticeship program, and that states which graduation requirements will be met;

(3) a description of the mentoring that will be provided to the youth apprentice;

- (4) a description or timeline explaining the periodic reviews and evaluations of the youth ~~apprentices~~ apprentice's performance on the job and in related technical instruction;
- (5) a process for maintaining appropriate progress records, including the reviews and evaluations;
- (6) a description of related classroom-based instruction, which may be fulfilled through dual or concurrent enrollment ~~in secondary or post-secondary~~ courses;
- (7) whether and how the program is aligned with high school diploma requirements ~~and career clusters~~;
- (8) whether the program meets the related technical instruction requirements for an apprenticeship program;
- (9) if a program includes paid work during or outside the school year and outside the school day, a progressively increasing, clearly defined schedule of wages to be paid to the youth apprentice as skills are mastered;
- (10) how the program prepares the youth apprentice for placement in further education, employment, or ~~an~~ a registered apprenticeship program; ~~and~~
- (11) ~~the terms by which the program grants advanced standing or credit to individuals applying for the youth apprenticeship with demonstrated competency or acquired experience, training, or skills~~ the procedure for advanced standing that grants credit for demonstrated competency, acquired experience, training, or skills to youths who are interested in transferring to full

apprenticeship registration upon completion of the youth apprenticeship program;

(12) an accounting of costs for the program covered by the participating partners, grants, or other sources of funds; and

(13) an assurance that school staff, employer partners, and others involved in the program are aware of youth legal protections regarding child labor, wage payment, and youth apprenticeship and other applicable laws and regulations.

(c) An apprenticeship plan submitted in conformity with subsection (b) of this section shall be developed in partnership with apprenticeship sponsors for specific occupational areas and sending high schools.

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Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

Date Governor signed bill: May 21, 2026