

1 H.451

2 Introduced by Representative Burrows of West Windsor

3 Referred to Committee on

4 Date:

5 Subject: Commerce and trade; economic development

6 Statement of purpose of bill as introduced: This bill proposes to promote racial  
7 and economic justice.

8 An act relating to promoting racial and economic justice

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

10 Sec. 1. LEGISLATIVE INTENT

11 (a) Equal opportunity is a fundamental principle of American democracy.

12 (b) Equal access to economic opportunity and to cultural empowerment are  
13 priorities of the State of Vermont.

14 (c)(1) Structural racism, defined as the laws, policies, institutional  
15 practices, cultural representations, and other societal norms that often work  
16 together to deny equal opportunity, has resulted in wealth disparities and  
17 cultural disempowerment among Vermonters.

18 (2) Great social costs arise from these inequities, including threats to  
19 economic development, democracy, and the social health and wellness of the  
20 State of Vermont.

1       (d)(1) Wealth disparities are a function of not only access to income, but  
2       also the ability to have access to the land, to property ownership, and to  
3       cultural preservation and empowerment, which has been impacted by race,  
4       ethnicity, sex, geography, language preference, immigrant or citizen status,  
5       sexual orientation, gender identity, socioeconomic status, and disability status.

6       (2) Wealth disparities and cultural disempowerment directly and  
7       indirectly affect the health and wellness of individuals and communities.

8       (e)(1) The foundation of our current economic system was built on land  
9       that was taken from Abenaki and other Indigenous persons, and the structures  
10       of our economic system were constructed with the labor of enslaved persons.

11       (2) The legacy of settler colonialism and chattel slavery has been  
12       systemic racism and discrimination embedded into many aspects of our  
13       modern way of life on this land.

14       (3) The relationship between all persons and the land has been used to  
15       oppress persons over the past several centuries.

16       (4) The laws and policies of our State and nation severed Indigenous  
17       persons from their land while denying them, Black persons, and other persons  
18       of color from having the opportunity to access and own land.

19       (5) These actions of the State led to systemic racism that has impacted  
20       all Vermonters who have historically suffered from discrimination and who  
21       have not had equal access to public or private economic benefits due to race,

1 ethnicity, sex, geography, language preference, immigrant or citizen status,  
2 sexual orientation, gender identity, socioeconomic status, or disability status.

3 (6) The actions of the State have led to the erasure or appropriation of  
4 culture for the descendants of slaves and Indigenous persons.

5 (f)(1) In order to offer repair for the systemic discrimination faced by many  
6 persons throughout the State over the past four centuries, the State of Vermont  
7 must engage in a just transition to an economic system that systemically  
8 undoes racism instead of reinforcing it.

9 (2) Efforts to remedy wealth disparity in the United States have  
10 traditionally looked to the free market, extractive economy for solutions to the  
11 very problem that it has created.

12 (3) However, there has been increased recognition that improving access  
13 to economic opportunity and cultural empowerment will require broader  
14 approaches.

15 (4) In order to rectify this history of inequity, we must create economic  
16 opportunity and cultural empowerment, using new systems that empower and  
17 center Vermonters who have historically suffered from discrimination and who  
18 have not had equal access to public or private economic benefits due to race,  
19 ethnicity, sex, geography, language preference, immigrant or citizen status,  
20 sexual orientation, gender identity, socioeconomic status, or disability status.

1       (g) It is therefore the intent of the General Assembly to acknowledge and  
2       address wealth disparity and cultural disempowerment by creating economic  
3       opportunity and cultural empowerment for Vermonters who have historically  
4       suffered from discrimination and who have not had equal access to public or  
5       private economic benefits due to race, ethnicity, sex, geography, language  
6       preference, immigrant or citizen status, sexual orientation, gender identity,  
7       socioeconomic status, or disability status by ensuring equal access to economic  
8       advancement and cultural reconstruction in the State of Vermont.

9       (h) In addition to the actions taken by this act, the State must engage in a  
10       deep process of truth and reconciliation, guided by the persons who have been  
11       most impacted, to address the underlying wounds of colonization and slavery.

12       Sec. 2. FINDINGS

13       (a) Definitions. As used in this section:

14       (1) “Non-White” means Black, Indigenous, and other Persons of Color  
15       (BIPOC). The term is not intended to reflect self-identity but rather how  
16       persons are categorized in the racial caste system on which discrimination has  
17       been historically based in the United States. This term is used in this act  
18       because currently Vermont typically disaggregates data solely by White and  
19       non-White.

20       (2) “Race and ethnicity” means the categories for classifying individuals  
21       that have been created by prevailing social perceptions, historical policies, and

1 practices. The term includes how individuals perceive themselves and how  
2 individuals are perceived by others.

3 (b) Wealth disparity in Vermont. Concerning the history of wealth  
4 disparity in Vermont, the General Assembly finds:

5 (1) History, research, and experience demonstrate that Vermont  
6 residents experience barriers to the equal enjoyment and benefit of economic  
7 opportunity and cultural empowerment based on race and ethnicity.

8 (2) The United States was founded as a country on a triangular  
9 relationship between settlers, native persons, and slaves.

10 (3) This structure created an inequity for wealth, economic resources,  
11 cultural empowerment, homeownership, and land access through systemic  
12 oppression and systematic racism for those who were defined as native or  
13 slave.

14 (4) Prior to Vermont self-declaring its occupation of the land in 1777, it  
15 is estimated that at least 10,000 Indigenous persons were living in the region,  
16 specifically upwards of 4,000 Abenaki living in the Champlain Valley.

17 (5) Centuries of genocide, eugenics, broken treaties, displacement, and  
18 land dispossession placed persons of the Abenaki Nations and other  
19 Indigenous persons living in Vermont at a great social disadvantage.

20 (6) Although the original Vermont Constitution abolished slavery in this  
21 State, with two exception clauses, it took until 1854 for African Americans to

1 be considered legally free and not considered as property in the State, and not  
2 until 1863 were African Americans federally recognized as free from  
3 enslavement.

4 (7) During and since these early days of colonization and slavery, due to  
5 local, State, and federal policies that were intentionally developed to  
6 economically, socially, and racially discriminate against members of the  
7 BIPOC community, multigenerational poverty has created a disturbing  
8 disproportionate wealth gap for land and home ownership in what we now  
9 know as Vermont and the United States.

10 (8) Federal land policies and programs denied members of the BIPOC  
11 community farmland ownership opportunities that were available to their  
12 White counterparts.

13 (9) The federal government's creation of early land use policies, such as  
14 those adopted under President Andrew Johnson, who overturned the infamous  
15 "40 acres and a mule" and implemented "states' rights" based reconstruction  
16 policies, resulted in sharecropping.

17 (10) Sharecropping was the federal government prohibiting Black  
18 farmers from owning property, and as a result, they were forced to rent land  
19 from White landlords. Reconstruction policies resulted in sharecropping and  
20 prohibiting Black farmers from owning property, and as a result, they were

1 forced to rent land from White landlords. Many Black farmers at this time  
2 experienced unfair terms and agreements.

3 (11) The U.S. Department of Agriculture (USDA) and Farm Service  
4 Agency (FSA) Loan Distribution Program has made it difficult for Black and  
5 other persons of color to own farmland.

6 (12) In 1910, it was reported that 14 percent of all farm owner operators  
7 in the United States were Black or African American. By 2012, they  
8 comprised only 1.5 percent of farm owners across the country.

9 (13) Redlining was the practice of denying bank loans for mortgages to  
10 Black and other persons of color, and it was used to segregate Black and other  
11 communities of color into inner city neighborhoods. Redlining has drastically  
12 impacted members of the BIPOC community for generations and has further  
13 withheld generational wealth from the Black communities.

14 (14) The Housing and Urban Development's Home Owners' Loan  
15 Corporation (HOLC) program denied Black and brown residents' equal access  
16 to home mortgages, often offering subprime loans that came with unusually  
17 severe terms.

18 (15) Funds from the GI Bill intended to insure private mortgages, reduce  
19 down payments, and cover tuition were only made available to White veterans,  
20 denying BIPOC veterans access to wealth, land, and home ownership thus  
21 denying them access to the economic opportunity of generational wealth.

1           (16) Despite amendments to the U.S. Constitution and the 1866 Civil  
2           Rights Act, systemic racism, within both Vermont’s housing and agricultural  
3           sectors, remains prevalent today.

4           (17) On July 16, 2020, Burlington, Vermont, took the bold move to  
5           declare racism as a public health emergency, citing that only four percent of  
6           the homes owned in Burlington were owned by persons of color while making  
7           up 18 percent of the population and that they were four and a half times as  
8           likely to be denied for a home loan compared to applicants who are White.

9           (18) Housing disparity and land access may increase with COVID-19,  
10          advancing the triple threats of oppression—racism, classism, and sexism—in  
11          the State.

12          (19) Without adequate access to land and home ownership, BIPOC are  
13          forced to live in multigenerational housing, placing them at higher risk to  
14          COVID-19 exposure.

15          (20) Nearly a quarter of Black Vermonters live in poverty, compared  
16          with 11 percent of Vermonters overall. However, poverty rates for the BIPOC  
17          community exceeded the State average in 2018. Poverty rates were also  
18          greater among persons who include themselves in two or more racial groups or  
19          identified as American Indian or of Hispanic or Latino origin.

20          (c) Concerning the connection among health, wealth, and property  
21          ownership, the General Assembly finds:



1           (1) Food insecurity rates are higher for members of the BIPOC  
2           community who reside in the State of Vermont than their White neighbors.

3           (2) During the COVID-19 pandemic, it was estimated by the University  
4           of Vermont that 49 percent of BIPOC households in the State experienced food  
5           insecurity compared to 25.2 percent of White households. Food insecurity has  
6           been linked to and known to cause mental health problems and depression,  
7           hypertension and hyperlipidemia, worse outcomes on health exams, being in  
8           poor or fair health, poor sleep, and obesity.

9           (3) According to the 2018 Vermont Department of Health’s Behavioral  
10          Risk Factor Surveillance System report, non-White Vermonters are:

11           (A) statistically less likely to have a personal doctor;

12           (B) statistically more likely to report poor mental health;

13           (C) more than twice as likely to report rarely or never getting the  
14          emotional and social support they need;

15           (D) significantly more likely to have depression;

16           (E) significantly more likely to have been worried about having  
17          enough food in the past year; and

18           (F) significantly more likely to report no leisure-time physical  
19          activity.

20           (4) The average age is 33 for BIPOC Vermonters, versus 46 for  
21          Vermonters who are White.

1           (5) BIPOC Vermonters are at a higher risk for more serious health  
2           outcomes, such as hospitalization.

3           (6) Although there are not statistically significant differences in the rates  
4           of pre-existing conditions, including diabetes, lung disease, and cardiovascular  
5           disease, among all Vermonters, there are disparities in rates of pre-existing  
6           conditions among COVID-19 cases. The pre-existing conditions rate among  
7           COVID-19 cases is 19.4 for BIPOC Vermonters.

8           (7)(A) Property ownership rates for the BIPOC community in the State  
9           continue to remain stagnant.

10           (B) In a 2019 equity report, Burlington city officials found that  
11           BIPOC own only four percent of the homes there, though they make up  
12           18 percent of the city's population.

13           (C) Furthermore, Black Burlingtonians are four times as likely to be  
14           denied for a home loan as a White counterpart.

15           (D) This is a direct result of the wealth gap between the BIPOC  
16           community and their White counterparts.

17           (8) The median household income for a Black Vermonter is \$41,533.00  
18           compared to \$58,244.00 for their White counterparts.

19           (9) Nearly 24 percent of Black Vermonters live in poverty compared to  
20           nearly 11 percent of White Vermonters.

1       Sec. 3. PURPOSE

2           The purpose of this act is to invest in systems of economic advancement  
3           and cultural empowerment as a way to move towards greater racial and social  
4           equity in wealth distribution, health, resilience, and economic and cultural  
5           prosperity.

6       Sec. 4. 10 V.S.A. § 3 is amended to read:

7       § 3. ECONOMIC DEVELOPMENT; PRINCIPLES; REVIEW AND  
8           ASSESSMENT

9           (a) For purposes of the Vermont Statutes Annotated and State economic  
10          development programs and assistance, “economic development” means the  
11          process of generating economic wealth and vitality, security, and opportunity  
12          for all Vermonters.

13          (b) There are established the following ~~four~~ five interrelated principles for  
14          future economic development in Vermont:

15               (1) Vermont’s businesses, educators, nongovernmental organizations,  
16               and government form a collaborative partnership that results in a highly skilled  
17               multigenerational workforce to support and enhance business vitality and  
18               individual prosperity.

19               (2) Vermont invests in its digital, physical, and human infrastructure as  
20          the foundation for all economic development.

1           (3) Vermont State government takes advantage of its small scale to  
2 create nimble, efficient, and effective policies and regulations that support  
3 business growth and the economic prosperity of all Vermonters.

4           (4) Vermont leverages its brand and scale to encourage a diverse  
5 economy that reflects and capitalizes on our rural character, entrepreneurial  
6 people, and reputation for environmental quality.

7           (5) Vermont embraces its responsibility to course correct the historical  
8 impact of economic exploitation and exclusion from opportunity due to race  
9 and ethnicity for American descendants of slavery and the broader Black,  
10 Indigenous, and other Persons of Color community.

11           (c) The ~~four~~ five principles shall be used to guide the design and  
12 implementation of each economic development program, policy, or initiative  
13 that is sponsored or financially supported by the State, its subdivisions,  
14 agencies, authorities, or private partners.

15   \* \* \*

16           Sec. 5. 3 V.S.A. § 3902 is amended to read:

17           § 3902. OFFICE OF ECONOMIC OPPORTUNITY

18           (a) The Director of the Office of Economic Opportunity is hereby  
19 authorized to allocate available financial assistance for community services  
20 agencies and programs in accordance with State and federal law and  
21 regulation.

1 (b) The Director may provide financial assistance to community services  
2 agencies for the planning, conduct, administration and evaluation of  
3 community service programs to provide a range of services and activities  
4 having a measurable and potentially major impact on causes of poverty in the  
5 community or in areas of the community where poverty is a particularly acute  
6 problem. Components of those services and activities may involve, without  
7 limitation of other activities and supporting facilities designed to assist ~~low~~  
8 ~~income~~ participants with low income:

9 (1) to secure and retain meaningful employment;

10 (2) to obtain adequate education;

11 (3) to make better use of available income;

12 (4) to provide and maintain adequate housing and a suitable living  
13 environment;

14 (5) to obtain services for the prevention of narcotics addiction,  
15 alcoholism, and for the rehabilitation of narcotic addicts and alcoholics;

16 (6) to obtain emergency assistance through loans and grants to meet  
17 immediate and urgent individual and family needs, including the need for  
18 health services, nutritious food, housing, and unemployment-related assistance;

19 (7) to remove obstacles and solve personal and family problems ~~which~~  
20 that block achievement of self-sufficiency;

21 (8) to achieve greater participation in the affairs of the community;

1           (9) to make more frequent and effective use of other programs related to  
2 the purposes of this chapter;

3           (10) to coordinate and establish linkages between governmental and  
4 other social service programs to ~~assure~~ ensure the effective delivery of such  
5 services to ~~low-income~~ persons with low income; and to encourage the use of  
6 entities in the private sector of the community in efforts to ameliorate poverty  
7 in the community; and

8           (11) to correct the historical impact of economic exploitation and  
9 exclusion from opportunity due to race and ethnicity of American descendants  
10 of slavery and the broader Black, Indigenous, and other Persons of Color  
11 community.

12           (c) The Director is authorized to adopt rules pursuant to chapter 25 of this  
13 title appropriate to the carrying out of this chapter and the purposes thereof.  
14 Sec. 6. 3 V.S.A. § 2471e is added to read:

15 § 2471e. DEPARTMENT OF CULTURAL EMPOWERMENT AND

16 ECONOMIC ADVANCEMENT

17           (a) The Vermont Department of Cultural Empowerment and Economic  
18 Advancement is created within the Agency of Commerce and Community  
19 Development.

20           (b) The Department shall work to ensure programing implementation  
21 through the statewide Cultural Empowerment and Economic Advancement

1 (CEEA) Network, which shall consist of four Community Empowerment  
2 Centers located in different geographic regions of the State.

3 (c) There is created a special fund in the State Treasury named the Vermont  
4 Department of Cultural Empowerment and Economic Advancement Grant  
5 Fund.

6 (d) Notwithstanding any contrary provisions of 32 V.S.A. chapter 7,  
7 subchapter 5:

8 (1) The Department shall administer the Fund.

9 (2) The Fund shall comprise monies appropriated to it by the General  
10 Assembly and other public or private monies the Board accepts.

11 (3) Unexpended balances and any earnings shall remain in the Fund  
12 from year to year.

13 (e) The Department shall use monies in the Fund to design and implement  
14 a grant program for qualified organizations and collaboratives led by Black,  
15 Indigenous, and other Persons of Color (BIPOC) that provides grants to  
16 support programming throughout the CEEA Network.

17 (f) The Department shall provide grants to:

18 (1) provide cultural empowerment programming to:

19 (A) educate on the true history, contributions, and resilience of  
20 American Descendants of Slavery (ADOS) and other Black, Indigenous, and  
21 other Persons of Color;

1           (B) serve as a resource, facilitate, and assist in the implementation of

2           ADOS cultural commemorations and celebrations;

3           (C) facilitate various additional cultural activities; and

4           (D) serve as a central hub for access, cultivation, creation, and

5           curation of cultural arts;

6           (2) establish the Business Cultivation and Support Program, including:

7           (A) small business technical assistance;

8           (B) small business grants and loans;

9           (C) small business-to-business mentorship program;

10          (D) technical assistance; and

11          (E) small business procurement contract assistance;

12          (3) coordinate personal and professional development, including:

13          (A) adult basic education;

14          (B) career development; and

15          (C) personal and career coaching; and

16          (4) deliver wealth development and management planning, consisting

17          of:

18          (A) financial management;

19          (B) home and land ownership; and

20          (C) investment management.



1       Sec. 7. APPROPRIATION

2           In fiscal year 2026, the amount of \$10,000,000.00 is appropriated from the  
3           General Fund to the Vermont Department of Cultural Empowerment and  
4           Economic Advancement Grant Fund for grants and other expenditures  
5           approved by the Department of Cultural Empowerment and Economic  
6           Advancement.

7       Sec. 8. 10 V.S.A. § 2 is added to read:

8           § 2. RACIAL AND SOCIAL EQUITY IN BUSINESS DEVELOPMENT

9           The Department of Economic Development, in collaboration with the  
10          Vermont Economic Development Authority, the Vermont Center for Emerging  
11          Technologies, the Vermont Small Business Development Center, and other  
12          relevant stakeholders, shall design and implement the BIPOC Business  
13          Development Program, the purposes of which are to:

14                (1) increase the number of, and provide support to, BIPOC business  
15                start-ups;

16                (2) provide BIPOC-owned businesses with broader access to capital;  
17                and

18                (3) provide BIPOC-owned businesses with technical assistance.

19       Sec. 9. 3 V.S.A. § 2222e is added to read:

20           § 2222e. RACIAL AND SOCIAL EQUITY IN BUSINESS

21                       PROCUREMENT PROGRAM

1       The Secretary of Administration shall design and implement the BIPOC  
2       Business Procurement Program for all agencies and departments within State  
3       government, the purposes of which are to:

4               (1) increase State government outreach to BIPOC-owned businesses for  
5       participation in bidding for government procurement contracts;

6               (2) provide technical and other assistance to BIPOC-owned businesses  
7       that seek to participate in the government procurement process; and

8               (3) establish a minimum percentage of State procurement contracts or  
9       funding that is awarded to BIPOC-owned businesses.

10       Sec. 10. 3 V.S.A. § 2222 is amended to read:

11       § 2222. POWERS AND DUTIES; BUDGET AND REPORT

12   \* \* \*

13       (g) The Secretary of Administration, in consultation with the Racial Equity  
14       Director, shall adopt rules that require each agency and department in this State  
15       to implement policies and procedures designed to create pathways for career  
16       advancement for current and future employees who are members of BIPOC  
17       communities in this State.

18   \* \* \*

1 Sec. 11. 21 V.S.A. § 1126 is added to read:

2 § 1126. RACIAL AND SOCIAL EQUITY IN CONTINUING EDUCATION

3 AND APPRENTICESHIP

4 The Department of Labor, in collaboration with the Vermont State Colleges  
5 and the Vermont Training Program within the Agency of Commerce and  
6 Community Development, shall design and implement five continuing  
7 education and apprenticeship programs for members of BIPOC communities in  
8 this State.

9 Sec. 12. EFFECTIVE DATE

10 This act shall take effect on July 1, 2025.