



### **H.34 Testimony**

#### **House Committee on Commerce and Economic Development**

Jeremy Little, Policy and Outreach Associate

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The Vermont Chamber of Commerce represents businesses of all sizes, from every industry, across every region of Vermont. We understand what it takes to help businesses grow and thrive to build strong and vibrant communities, and businesses have trusted us to center stewardship in our mission of advancing the Vermont economy.

Vermont is experiencing the most severe labor shortage in living memory and a shrinking workforce is a significant contributor to this challenge. We have 17,000 people retiring every year, with just over 5,000 students graduating every year. Additionally, according to Opportunityindex.org, almost 11% of Vermonters between the age of 16 and 24 are not in school and not a part of the workforce. It is vital to continue to develop the skills among the workforce that we do possess, while continuing to try to grow our working age population. Overall, the Vermont Chamber supports this bill and hopes that it will improve the efficiency and effectiveness of Vermont's workforce development system through a more direct effort to coordinate our efforts across all necessary sectors.

In order to bolster our workforce in all sectors, taking a holistic approach that includes middle school through our most senior workers will continue to be of high importance. As written in the bill, coordination with other departments and agencies throughout Vermont will be vital in achieving this goal. Including the private sector throughout this process is also an important element included in this bill. Businesses often implement creative ways to promote growth not only in their business, but also in their employees. Understanding and duplicating these solutions will allow for continued innovation in addressing statewide issues.

The bill also takes measures to plug any gaps that may exist in the delivery of Vermont's training programs, a vital measure to ensuring a high-quality workforce. Additionally, the intentional creation of connections between students and employment opportunities will be critical to retaining young talent. Vermont's post college retention rate is currently the

lowest in the country, at only 43%, and we have almost 22,000 fewer students enrolled in secondary education when compared to 2000 (102,049-80,202; Agency of Education).

There are a few areas of the bill that we encourage the committee to consider further as you work through the mark-up process.

- Page 5, in Clause 4a: “Develop strategies designed to reduce employee layoffs and business closures”

We would encourage the text to not only develop strategies designed to reduce employee layoffs and business closures, but also to develop strategies designed to encourage employee retention and growth. Framing this work positively towards business success will have the same impact with a focus on strengths rather than deficits.

- Page 9, Section 6: “facilitate effective communication between the business community, State and local government, and public and private educational institutions, for the purpose of workforce pipeline development and job placement”

We agree with the importance of effective communication and encourage further language regarding thinking and acting strategically about how to best market, promote, and package programs for all the various users of workforce development programs. Vermont can have world class workforce development programs but we need to think more about how to meet learners and businesses where they are to promote and package these things.

In conclusion, the Vermont Chamber supports the proposed legislation on workforce leadership. Passing this legislation will improve workforce development delivery throughout the state. Retaining and attracting more Vermonters towards a meaningful career is of vital importance to the future of Vermont businesses and economy.

**Commented [1]:** Do you mean secondary education?  
Not public vs. private I assume?