



1/17/25 Testimony
House Commerce and Community Development
Kelly Ault, Executive Director, VOBA

I'm Kelly Ault, Executive Director of the Vermont Outdoor Business Alliance (also known as VOBA). Thank you Chair Marcotte and members of the committee for inviting me to speak about Vermont's growing outdoor economy that is driving economic and social impact in all our urban and rural communities. We appreciate the opportunity to share the needs and opportunities for business and workforce development in the highly diversified sector, as well as the work of our organization.

VOBA is a state-wide nonprofit organization established in 2018 with a mission to strengthen Vermont's outdoor economy. According to the US Bureau of Economic Analysis, our state was ranked second in the nation in 2023 for its \$2.1 billion in contributions to the state GDP, which is 4.8% of Vermont's economy. We were pleased that Governor Scott recognized the strength of this data in his 2025 address as a return on investment by the Vermont Outdoor Recreation Economic Collaborative, or VOREC, of whom we have worked closely with since 2018.

VOBA's 140 outdoor business members are emblematic of the sector as a whole, representing the manufacturers that make our gear and apparel, the retailers that sell it, the outdoor centers, lodges, and trail builders that support places to play, the guides, educators, and creatives that tell our stories, and many more that provide products and services to Vermonters and visitors.

The BEA reports the industry workforce as more than 16,000, which when dovetailed with seasonal employment and the complementary tourism and recreation management workforce provides a wide range of job opportunities for those entering and advancing in the industry.

VOBA core work fosters entrepreneurship, career pathways, and sector branding to ensure the success of Vermont's employers and employees, of which has enabled resources to go back into the foundation depended on for our livelihood. Industry investment and partnerships support vibrant downtowns and villages, high quality

natural and recreation resources, and equitable access for all in work places and outdoor spaces - this strong ethos of collaboration in Vermont's outdoor recreation eco-system is truly a bright spot for our state.

VOBA was a partner in 2023 in VOREC's Move Forward Together Vermont statewide planning process to identify a vision and set of priority actions for outdoor recreation over the next five years. VOBA involved close to 200 businesses in forums, a business survey, and initiatives to shape a work plan for the industry based on needs, opportunities, and economic outcomes for both individual businesses and the state.

The process cemented VOBA's objectives aligned with VOREC in climate resiliency and equity as well as sector-specific impact areas in innovation and sustainability and career pathways. It expanded the map of partnerships for which the industry shares values and goals and that are ripe for collaboration in the years ahead.

The combination of 2024 data from VOBA's Move Forward Together Vermont outdoor business survey with close to 70 respondents and our member policy survey of almost 50 respondents shaped VOBA's policy priorities this legislative session. Additionally, economic growth outcomes from VOBA's VOREC community grant that funded our outdoor entrepreneur development and technical workforce demonstrate the promise of these types of returns on investment.

As a sector providing tremendous value to Vermont's communities, we look forward to working with you and your legislative colleagues on ways the state can invest in the sector and continue to leverage the outdoor economy for its benefit.

The first pillar of VOBA's policy platform is:

- VOBA's Climate Outdoor Business Program which provides targeted technical assistance for business adaptations that ensure innovation and stability in the face of climate change as well as other industry and outdoor visitor shifts.
- In the MFTV business survey, 58% of respondents reported being impacted by recent climate events and identified that technical assistance resources such as state and federal grants, financial and business planning, and marketing analysis are helpful to outdoor businesses.

- In the VOBA policy survey, respondents highly prioritized funding for flood recovery in the areas of physical and recreation infrastructure and economic injury losses as well as research on climate risks and financing for adaptations.
 - We thank this committee for the support of the Business Emergency Gap Assistance Program (BEGAP) which bridged flood recovery.

We know that climate resilience and entrepreneur innovation is imperative and that we cannot afford not to invest in sustainability. Bolstered climate technical assistance will enable sustainable product development and local production, technology upgrades in facility and factory operations, and nimble and stewardship-based outdoor service delivery.

The second pillar of VOBA's policy priorities is:

- VOBA's Climate Outdoor Workforce Program which provides professional development, education and training, and marketing tools for technical and climate jobs that facilitate a transition to skilled service, energy efficiency, circular and stewardship systems, and a young, diverse workforce.
 - In the MFTV business survey, 65% of respondents plan to hire 1-5 new employees in the next 12 months. Unfortunately, they face challenges due to the cost of living in location of employment (60%), lack of qualified applicants (58%), and lack of housing opportunities in location of employment (56%).
 - Businesses affirmed the need for workforce education and professional development training programs citing important investments as internships & apprenticeships, adult education programs, and career development programs for underserved communities.

We know from VOBA's VOREC grant that trainings are effective, validating the link reported by businesses between professional development and increased employee engagement (71%), consistent work processes (61%), and reduced skill gaps (54%).

In addition to the business and workforce development areas I just described, VOBA fully supports increased investments in community infrastructure to ensure a strong foundation for our livelihood.

- In VOBA's policy survey, 75% respondents supported funding for the VOREC Community grant program of which we thank this committee for its longtime

support. The grant program has expanded outdoor destinations that precipitate the growth and relocation of businesses, as well as the attraction and retention of outdoor professionals.

- VOBA members also prioritized recreation investments as essential to the sector, such as bicycle, pedestrian, and rail trail infrastructure (87%) as well as incentives to private landowners that allow public recreation access.
- Finally, despite the BEA data and MFTV and VOBA surveys being helpful in informing decision making, they are inadequate in understanding the best investments we can make. We support your bill, Chair Marcotte, to assess available data and conduct further analysis on the value of recreational trail access to the state and local economies

In closing, the industry is strong despite years of pandemic and climate events. A factor in this stability is ongoing public and private investment in outdoor recreation businesses and infrastructure. Continuing to support outdoor recreation businesses in accelerating innovation and taking risks in new ideas, businesses and projects will lead to active, healthy lifestyles and build resilient thriving communities. The sector has demonstrated appeal to young, active recreators who are moving to Vermont and raising their families in our communities, bringing health and wealth and improving our current aging demographic.

There is much to be excited about in the outdoor economy and we look to working together in the legislative session on solutions.

2023 Outdoor Recreation by the numbers

Outdoor recreation made up \$2.1 Billion or 4.8% of Vermont's economy in 2023 - maintaining Vermont as second in the Country for highest contribution from outdoor recreation to State GDP

- Over 16,000 people work in Vermont's outdoor industry.
- Accommodations and food services grew to \$733.5 million, a significant increase of 9%.
- Manufacturing of outdoor goods grew to \$135 million, an increase of 15% and the number of employees grew significantly by 12%.
- Retail sales grew to just under \$412.8 million, an increase of 4.5%.
- Snow activities, including skiing, snowboarding and snowmobiling continues to be Vermont's top industry, increasing by 29% from 2022.
- Significant growth reflected in contributions from climbing/hiking camping and hunting/shooting/trapping.

