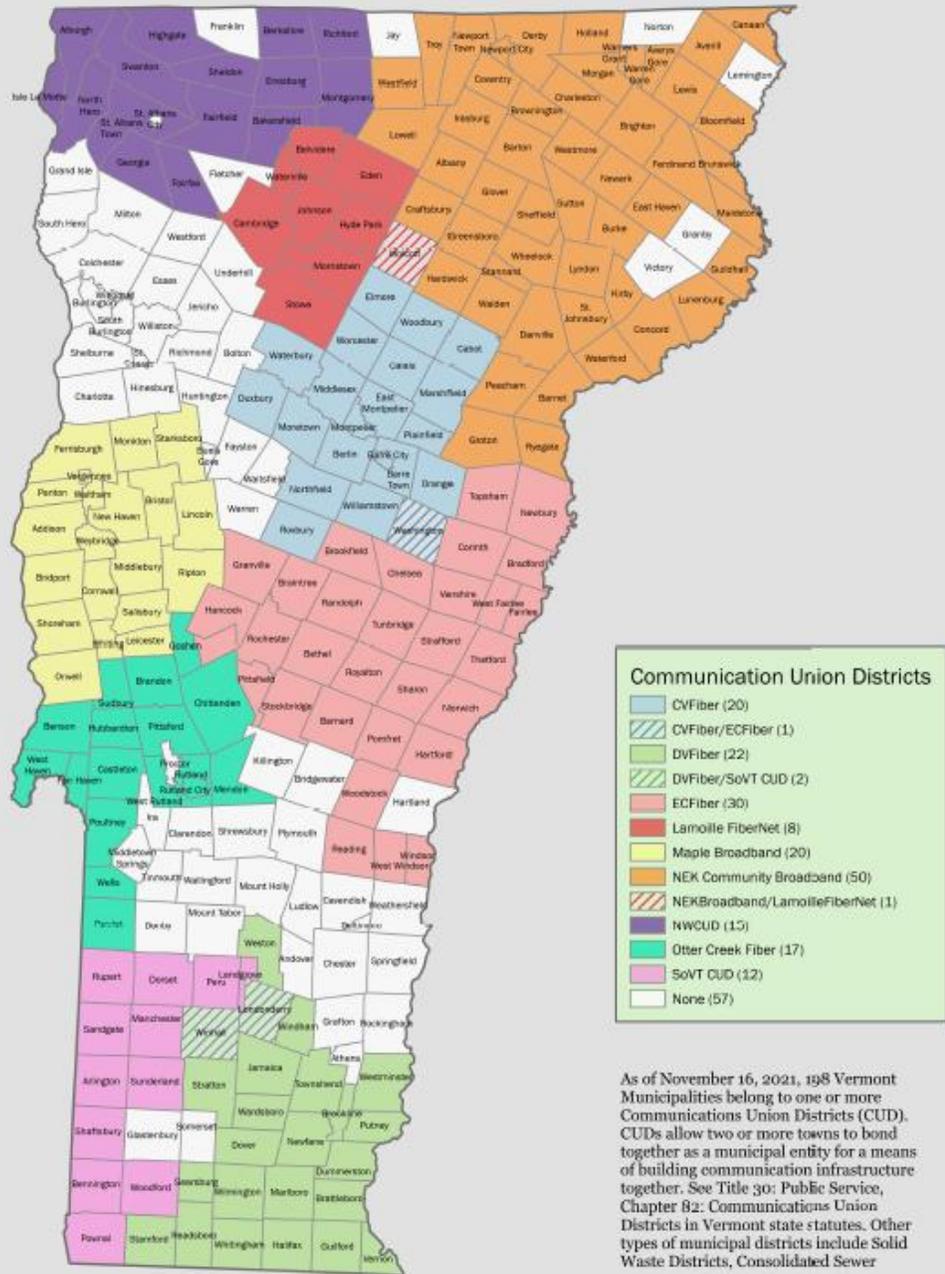




# Vermont Community Broadband Board Workforce Development Proposal

Presentation to the Vermont Workforce Development Board

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# Overview: Communications Union Districts

## Summer 2021

- 9 Districts
- 200 Member Towns
- 400 Volunteer Board Reps & Alternates
- More than half the state's population
- 90% of premise statewide without access to 100/100 Mbps broadband

# The role of the Vermont Community Broadband Board

“Universal Service” -  
Connect every underserved  
Vermonter to 100 Mbps  
symmetrical broadband

Provide resources to  
Communications Union  
Districts in the form of  
administrative and technical  
support

Provide grants for the  
preconstruction and  
construction costs of  
broadband projects for  
eligible providers;

Facilitate partnerships  
between communications  
union districts and their  
potential partners

Address workforce and  
material shortages

\$150 Million in State Fiscal  
Recovery ARPA funds for  
2021; \$100 Million in 2022.  
Possible additional funds  
from the Infrastructure Bill

Identify State, federal,  
nonprofit, and private  
broadband funding  
opportunities

Key  
Constraints to  
starting  
construction  
in 2022

- **Material lead times are expanding – It takes up to one-year for some of the key items, such as fiber optic cable.**
- **Labor is in short supply today. With billions of dollars being invested nationwide, labor will be one of the most important and difficult constraints to address.**

# Creative solution to Material Constraints

- **Worked with Vermont State Employee Credit Union and Vermont Community Foundation to provide no-cost Letter of Credit to Communication Union Districts (CUDs)**
- **Competitive Procurement for 1000 miles of Fiber Optic Cable to be inventoried and delivered to construction drop sites based on construction schedules.**
- **Letter of Credit enabled CUDs to pre-purchase \$4 million of materials to support 2022-2023 construction schedule**
- **Prices rising constantly: The bulk purchase results in \$1 million in savings from today's prices**

# The labor challenge

- Need additional 200 fiber technicians
  - 150 outside
  - 50 inside
- Labor shortages abound with all industries, making it harder to recruit
- Profession is difficult on families
  - Need “all-hours” childcare
- Fiber technicians require 144 hours of classroom training and 2000 hours of apprenticeship
- Puts labor pressure on electric utilities who have to prepare the utility poles
  - 4 years of apprenticeship required for an electric lineworker

## What has been done

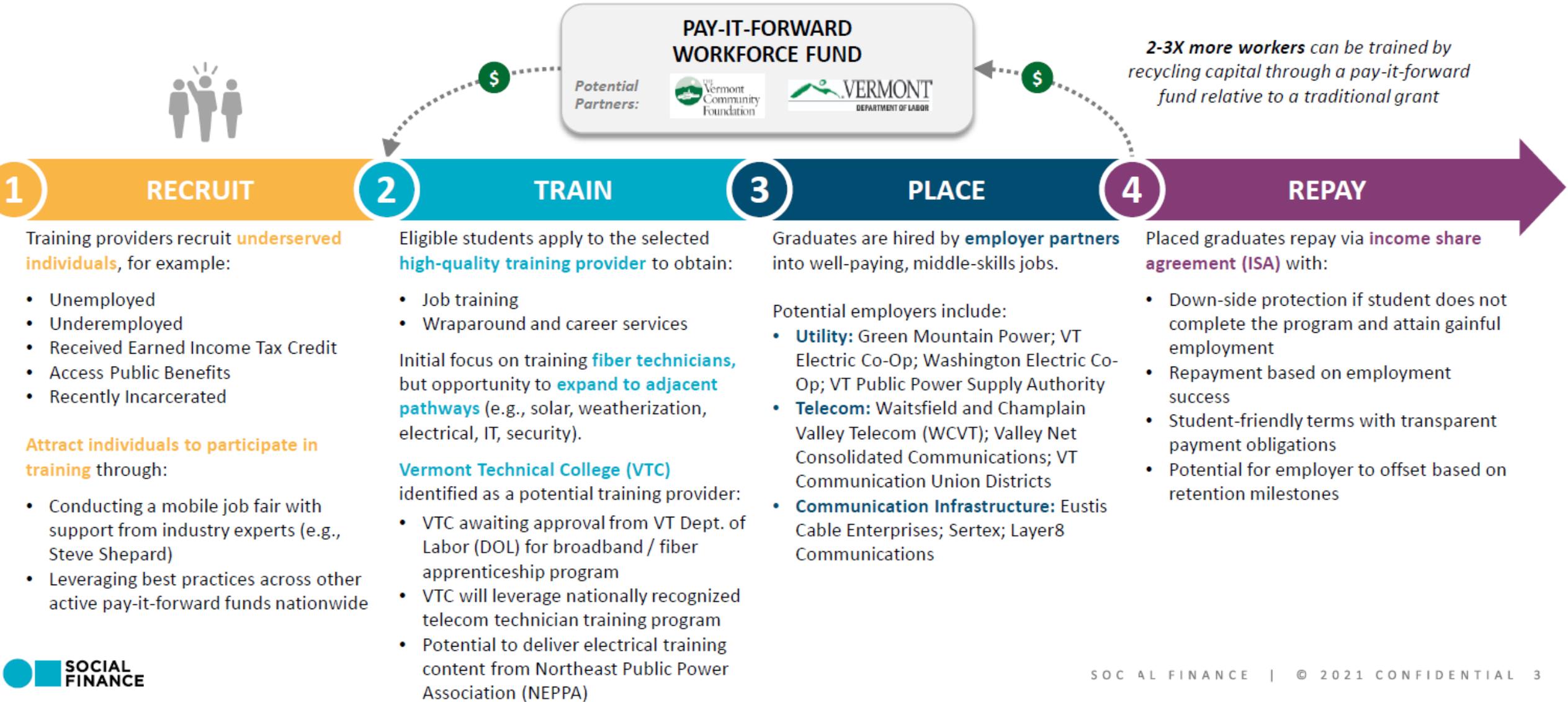
- NEK Broadband, working with Vermont Technical College is leading the development of a curriculum
  - Electric Utilities to provide training locations
  - Trainers identified
  - VTC has obtained a \$50K preliminary grant
- Working with VT Department of Labor
  - Survey developed – ready to send to potential employers
  - VCBB will send survey; cover letter to incentivize employers to participate
- Kick-off with Agency of Commerce and Community Development on December 14
- Working with Vermont Community Foundation and Social Finance on training program using Career Impact Bonds.
- VCBB is budgeting \$600K as seed money to get the program moving to help meet 2022 construction season needs

# Career Impact Bonds

- Around the country, “pay-it-forward” funds are being launched to stretch public workforce dollars further and train
- 2-3x as many workers by recycling capital using student-friendly income share agreements (ISAs), also known as career impact bonds (CIBs):
  - CIBs allow individuals from low-income backgrounds to enroll in training at no upfront cost. Only if students attain and retain gainful employment do they and/or their employers repay the cost of training, shifting risk away from students and employers and enabling capital to be recycled and re-invested into future cohorts of students.
  - Social Finance, a national impact finance and advisory nonprofit, has launched 4 CIBs to-date training 1,500+ students across 10+ states through a national \$50M impact investment fund, and is designing regional pay-it-forward funds in several states including New Jersey, Ohio, Colorado, Massachusetts, and Florida.
  - In collaboration with VCBB, Social Finance is exploring the feasibility of a state or regional pay-it-forward fund to meet Vermont’s urgent broadband workforce needs and expand statewide broadband coverage, with potential to leverage \$2M in matching grant funds from Social Finance’s national funding partner if \$10M+ is committed from other local, state, and federal funding sources.

# THE VISION: A STATE OR REGIONAL 'PAY-IT-FORWARD' FUND

By training workers for in-demand occupations and tying repayment to successful outcomes, a “pay-it-forward” workforce fund structure can help meet Vermont’s broadband talent needs and retain a skilled workforce



# The Opportunity

## Build Career Paths

- Entry Jobs to IT and Electric Lineworkers

## “Pay it Forward” groundwork established

- Expand to include other professions
  - Healthcare (nursing)
  - Transportation (including electric vehicle maintenance, diesel mechanic)
  - Electric Utility Lineworkers
  - Etc.

## Migrate to sustainable labor supply

- Career and Technical Education
- Prisons

## The Ask

# \$10 million to develop the Vermont Career Impact Bond

- Leverages an additional \$2million from philanthropic organizations (Social Finance)
- Builds a platform for other fields/industries
- Extends training dollars – 2X to 3X
- Provides growth opportunities and career paths for low-income workers

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Questions?  
Ideas? Next  
Steps?