# Deb Markowitz FOR GOVERNOR

# JUMPSTARTYT

An Action Plan for Vermont



Dear Vermonters,

Thank you for taking the time to read this Action Plan for Vermont. This action plan is my vision for Vermont, developed over many months, with help from Vermonters all around the state. It is a roadmap of how we will jumpstart our economy, get our fiscal house in order and keep Vermont the best place to live, work and raise a family. It describes how we will use our many strengths as a state to meet the challenges we are facing today and into the next decade.

This plan is based on my belief that the answer is neither less government, nor more government, but government that is strategic and knows its strengths and limitations. That is why I am running for governor. To move ahead as a state we will need to work together and do things differently in Montpelier. We must reject partisanship, gridlock and bureaucracy in favor of solutions that are practical and innovative. And we need a plan.

As a wife and mother of three teenagers, I know how important it is to get this right. We must get Vermonters working today and we must also plan for the future. Our children and our grandchildren deserve the same quality of life and opportunities for success as past generations in Vermont. This means making Vermont more affordable for our families and businesses. This means making sure every child has access to a great education. This means investing today so that we will have good jobs for the future. This means adopting policies to create strong communities and to protect our natural environment and support our working landscape.

This plan to jumpstart Vermont seeks to achieve results for Vermont today and plan for a successful, sustainable future. But it is just a start. I welcome hearing your thoughts, ideas and suggestions over the coming months.

Deb Markowitz Secretary of State

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### Introduction

"The next governor will be tested immediately out of the gate. Vermont needs a governor with the intelligence and creativity to get the job done for the entire state, the reach beyond single-shot issues and the guts to make what will continue to be the hardest decisions an administrator can. We need a game-changer..."

- Burlington Free Press Editorial, April 29, 2010

With more than 23,000 Vermonters unemployed, our first priority as a state must be to get Vermonters back to work. At the same time, we need to recognize that working Vermonters are struggling with the rising costs of housing, health care, energy and education. We need to innovate and to change the way we do things in Montpelier so that we can make Vermont more affordable into the future.

Our future prosperity as a state will come from our hard-working people, our good system of public education, our tradition of economic innovation, and our great quality of life. To move forward as a state we must leverage our strengths. These include our strong communities, natural beauty and abundant outdoor recreation. It includes our working landscape and rich local food systems. As well as our existing businesses ready to expand and contribute to our thriving downtowns and village centers.

I ran for Secretary of State without any political experience because I was working to help state and local governments around Vermont, and realized the Secretary of State's office wasn't providing services worthy of our people. Phones weren't being answered. Business deals were lost or delayed because of red tape and bureaucracy. Consumers were vulnerable to fraud and abuse because of a backlog of complaints, and voting rights were left unprotected. I knew we could do better, and I knew I had the vision, skills and leadership to make this happen.

Now, twelve years later, having succeeded in transforming the office of the Secretary of State from a bureaucratic backwater to a public service powerhouse, I am ready for the next challenge. I again believe I have something unique to offer the state of Vermont. We have been stuck without a vision and without a plan for too long. Things need to be shaken up. We need an infusion of energy — of innovative new leadership.

One of the things I learned from spending the last two decades working with every town in Vermont and with small businesses across the state is that not all of our answers come from Montpelier. That is why the ideas and fixes in this action plan come from listening to Vermonters across the state, in and out of government, across the political spectrum and in both the business and non-profit sectors.

This roadmap will continue to evolve as I tour communities to listen to Vermont's best and brightest. Every day, I am inspired and driven by the Vermonters who are making our state great despite the personal and economic struggles they face each day.

So, let's get to work!



### It Starts with Jobs

In order to jumpstart job growth, Vermont must adopt an aggressive and innovative strategy – a road map for economic development. For far too long we have had no plan, and Vermont's business environment is stagnant because of the inaction. Unemployment has risen dramatically and layoffs have affected more than 23,000 Vermonters.

This economic plan puts Vermont's existing businesses first. That is the best way to expand our economy quickly and to create jobs. As we encourage new business investments and look outside our state to encourage new companies to locate in Vermont, we must focus on the industries where we know we can succeed. We already have growing sectors in software development, green products, clean energy manufacturing, wood products, specialty foods, healthy lifestyle tourism and biotech. These are all industries that have a record of success and are ready to grow.

As governor, I will create capital investment funds to ensure our businesses on Main Street can get the loans they need to meet a payroll, buy inventory or invest in the equipment that will foster job growth. I will make strategic investments to ensure that we have the infrastructure for success, such as affordable, fast and reliable Internet access in every corner of our state.

I will also be the chief marketing officer for Vermont. I believe that a key to starting an economic turnaround in Vermont is an energetic governor who will broadcast the positive message that Vermont is ready and very much open for business. During my Jobs Tour around Vermont, I heard from businesses across the state more about what they like about doing business in Vermont – our great quality of life, good schools and hardworking people – than about the challenges we face.

As governor, I will talk about our many strengths and match the message with action. Just as I did as Secretary of State, I will make Vermont state government business-friendly. I will appoint well-qualified, mission-focused managers who will move our agencies from a culture of red tape and bureaucracy to a culture of customer service. I will lead the effort to make our state more affordable for businesses, creating incentives for success. And I will bring forth innovative approaches to help our new and existing businesses succeed.

#### **VERMONT BUSINESSES FIRST**

### Crack Down on Wall Street to Boost Capital for Main Street

During my Jobs Tour of Vermont, I heard from businesses of all sizes that they are having a hard time getting the working capital they need to grow their businesses. The owner of a great start up in Vermont, which has become one of our large employers, told me that their credit line was cut from \$8 million to \$1 million overnight. The company has better-than-average credit, is increasing sales and is in the exciting clean energy sector. Vermont's community banks are working hard to make sure their local customers have what they need, but the big banks received billions in the Wall Street bailout, while Main Street Vermont is still frozen by the credit market. More than \$4 billion in both net receipts and disbursements are managed annually by our state treasurer in partnership with banks and investment firms. I will end relationships with banks that profit from these taxpayer investments but fail to meet a minimum level of lending to Vermont businesses. I will also work with our home-town banks already lending to develop incentives to open different avenues for responsible Vermont businesses.

### Invest Wisely in Job Creation Programs for Businesses

The Vermont Employment Growth Incentive (VEGI) is an important program that provides direct incentives to businesses that can show long-term job growth and greater economic development contributions to Vermont. I will bring greater transparency and accountability to the program. We must make sure these companies are meeting strategic milestones for growth and sustain the ceiling for these investments that were recently increased. We also need a tax credit for existing Vermont businesses that cannot qualify for VEGI funds.

Recently, our congressional delegation won a major job creation victory for businesses that hire unemployed Vermonters. We should give the "New Hire Tax Credit" more buying power for Vermont businesses by boosting the initiative's elimination of payroll taxes for each employee by including a \$500 Vermont state tax credit per employee who was receiving unemployment benefits or had



exhausted those benefits. This would ease the burden on our unemployment fund and create an extra incentive for the "Hire Now" program. There would be restrictions and eligibilities required, but several other states have already implemented this program successfully.

### Support Greater Rural Economic Opportunities

Vermont's unemployment is not distributed equally across the state. As governor, I will make investments to make it easier to expand or start up businesses in communities that have been hardest hit by the recession. We will work with local and regional economic development organizations to ensure that communities can come up with and implement an economic development plan. We will also make sure that these hard-hit areas are targeted for infrastructure improvements such as rail and high-speed Internet. We cannot leave any part of Vermont out of our economic recovery.

### **Workforce Development for 21st Century Manufacturing**

The manufacturing jobs of today hardly resemble the textile and tool makers of last century. Vermont can be one of the states that leads a manufacturing revolution in America by focusing on high-tech, biotech and clean energy manufacturing. To do this, our workforce must be prepared. We need to focus our investments in vocational training for young workers, redouble our efforts to support mid-career workers in need of a transition and support the existing efforts of the Vermont Workforce Development Council.

#### Create Job Loss Strike-Force Teams

69 workers sent to the unemployment lines after a Middlebury plant shuts down. A bridge closes and impacts the livelihoods of shop owners and their workers. As governor, I will have a plan for unexpected events like these. I will have job loss strike force teams with the expertise to respond quickly to assist dislocated workers and their families. These teams will help workers access the resources to help them weather the storm. They will also work with the affected communities to help them plan and prepare for future economic recovery.

#### Reduce Red Tape and Create a Culture of Service

When I took over the Secretary of State's office in 1999, I encountered a culture of red tape and bureaucracy. Working together with my employees and with the users of our office, we transformed the Secretary of State's office to a customer service powerhouse. In order to jumpstart job growth, we must transform the culture of the rest of state government, reducing red tape and streamlining

bureaucracy. A first place to start is with our regulatory agencies, like the agency of Natural Resources.

Over the years, there has been a lot of debate about whether Vermont's regulatory process is too onerous. As governor, I will not step away from our commitment to the environment, but I will take concrete steps to make the regulatory process easier to navigate and more predictable. During my Jobs Tour, I heard from businesses across the state that "it's not the regulations that are the problem; it's the bureaucracy." One business owner told me: "If they would have just told me the driveway should be on the other side of the property, I would have done it and saved 18 months of hold-up."

A first step in moving the regulatory culture to a culture of customer service is to train case managers within the agency. A case manager will be responsible for making sure applicants understand the process, provide expert advice to help them avoid pitfalls, and ensure that their submissions are complete. This professional would be responsible for shepherding the application through the process, and would be responsible for keeping the applicant informed of the progress of an application and ensuring consistent, transparent and expedient decisions by the agency for all applicants.

### **Bolster Community Business Connections Initiative**

When the economic downturn hit Vermont in 2008, I worked with the Small Business Administration and the Small Business Development Corporation to implement Community Business Connections, an initiative that created a one-stop-shop with everything a person needed to know to start or expand a business. Community Business Connections also provides training for local officials, librarians, individual entrepreneurs and citizens to help them develop local economic development plans and become local economic development ambassadors.

The problem with our current economic development strategy is that it relies principally on a top-down approach from Montpelier. We need to reverse that trend and make sure every local official, every region and every community has the tools to make economic development a priority. Expanding the community business connection model will be a priority for my economic development team.



#### THE VERMONT ENTREPRENEUR OPPORTUNITY

### Establish BusinessBound Vermont Savings Accounts

Start-up companies are engines for job creation, especially during and after a recession. Unfortunately, this recession has left many innovative Vermonters without the initial capital to create a great company. The average start-up firm spends about \$80,000 to get up and running. Usually, most of this money comes from personal resources, not a bank. Entrepreneurs often use equity in their home, early exits from a 401K or they borrow from friends and family. We encourage people to save for college or a home, but we should also encourage savings for job creation. That is why my plan includes a new investment tool for entrepreneurs: BusinessBound Vermont.

BusinessBound Vermont would work just like the 529 College Savings Plan. It would allow people to save money for future business investment and defer taxes until the money is withdrawn from the account. And if the funds are used within the first five years of starting a new business to help with the start-up costs, the money may be used tax-free. Because the funds are added to the account after initial income taxes are paid, the program can have a meaningful impact on start-ups with little cost to the taxpayer.

### Support for New Economy Programs, Non-Traditional Entrepreneurs

Not only do we need to jumpstart job growth using the traditional regional and state support services, but we must also foster entrepreneurial innovation by bolstering our commitment to some of Vermont's most innovative programs. Programs like the Vermont Sustainable Jobs Fund and the Vermont Software Development Alliance will help Vermont prepare for the future by developing 21st century jobs in the green economy, including clean energy, software development, wood products and specialty food products. Programs like the Micro-business Development Program and the Women's Business Center promote self-employment and business ownership and reach non-traditional communities to strengthen the economic self-sufficiency of low- to moderate-income Vermonters. All of these programs support the economic vitality of our communities.

### Link Successful Business Owners with New Entrepreneurs

On my Jobs Tour last March, I was inspired by one former CEO who is enjoying retirement, but who also takes time to share his knowledge and experience with the owner of a start-up company in his area. One of Vermont's greatest resources is our hard-working and innovative people. They include the many successful business owners across the state. Vermont's economic development strategy should take advantage of our rich community of experienced business leaders by linking them with new entrepreneurs. I will appoint a volunteer to work with existing organizations such as SCORE, the Chamber of Commerce, the Vermont Business Roundtable and Vermont Businesses for Social Responsibility, to coordinate and expand efforts to help start-ups and encourage new entrepreneurial success by linking successful businessmen and women with those who are just getting started.

### Get Young People the Training They Need for the Jobs of Today

During my Jobs Tour, I heard from some of our business owners that they are having a hard time finding workers with the right set of skills for the kinds of jobs they have to offer. The skills needed for 21st century manufacturing jobs are very different than the skills needed for the textile and machine tool jobs of the past. We must continue to work with our colleges and universities, our high schools and tech centers, to ensure they have the resources they need to prepare our students for the workplace of today. But we also know that classroom learning is not enough. We need to get our young people out of the classroom and into the workplace. To prepare our young people for good jobs, we need to help them get the work experience they need.

My economic development team will create an on-line student internship networking tool to link high school and college students with Vermont businesses. Internships can provide young people with the early skills they need to succeed and it can also help us keep more of our young people in Vermont. Research shows that college students who intern where they attend college are 50 percent more likely to stay in that town for the next decade. We need these young workers to stay in Vermont and end the "brain drain" and boost the number of young people throughout our state.



### Academic Excellence Center "Services Guide for Businesses"

The University of Vermont is a leader in nanotechnology innovation research that could be the key to 21st century manufacturing. Middlebury College leads the way on clean energy technology that could mean a business boom in the coming years. The Community College of Vermont is training Vermonters in sustainable building technology. Champlain College has a nationally recognized program for software development. We need to connect companies with academic centers of excellence at each of Vermont's colleges and universities to benefit our students and our businesses. Businesses will "cluster" in areas where the highly-trained staff and accessible research and testing services are available. As governor, I will meet with the presidents of each higher education institution in the state to build a "Services Guide for Businesses" that will highlight the resources available at each of these key institutions.

#### **MARKETVT**

### **Setting Economic Development Marketing Goals**

Vermont's brand means a lot. Studies have shown that consumers will pay 20 percent more for a product that is branded with the Vermont label. And millions of tourists visit Vermont every year because we offer a destination that is peaceful and beautiful, with great recreation and appealing arts and culture.

But last year, Vermont spent \$1.3 million on advertising Vermont as a tourist destination, yet we don't have firm data to show us that this investment paid off. As governor, I will establish an integrated marketing plan to market Vermont as a great place to visit and to promote Vermont products for their excellent quality and value. We will coordinate the state program with the efforts of Vermont's trade associations. And, most importantly, we will measure results and invest in the kind of marketing that works.

### **Revamp Product Certification Programs**

Rather than eliminating Vermont's Seal of Quality program, as was proposed by the current administration, we need to bolster our efforts to protect and promote the Vermont brand. As governor, I will consolidate all of the food and value-added product certifications, making sure the rules for certification are easy to understand, easy to follow and enforced.

The more Vermont food manufacturers can take advantage of these programs, the more Vermont business owners and workers can benefit from the value that our brand has in the market.

### Host "Vermont Value-Added Products" Summit

There are many unique and profitable companies that make their home in Vermont. The mostly small and medium-sized manufacturers of value-added products such as soap, handbags, food products and sports equipment add a lot to our economy. As governor, I will bring these businesses together for regular conversations about how we can work together as a state to more effectively move Vermont products to national and international markets. By coordinating efforts, the businesses that make Vermont products will have greater success moving the entire industry forward. These summits will also give Vermont's business leaders an opportunity to provide important feedback on the state's efforts so that investments in infrastructure, marketing and workforce development meet the needs of business.

### INNOVATION, INFRASTRUCTURE AND INVESTMENT

### Extend High-Speed Internet to Every Home and Business

High-speed Internet is no longer a luxury – it is a necessity for businesses and for families. In fact, unless we extend Internet access to all parts of the state, areas of Vermont still on dial-up will be completely left out of our economic recovery. Customers expect to use the Internet to find and purchase products and services. Even bed and breakfasts today must have a web page to attract guests. Visitors want to see pictures of the room and make their reservation on line. During my Jobs Tour, I heard from businesses across the state that without consistent, reliable and fast Internet, they can't compete, and they can't attract employees when housing in the area is still on dial-up.

There have been a lot of false starts and empty promises about High-Speed Internet in Vermont this past decade. The problem is that we have been relying on the private sector alone to get this done. We need a new approach. We need a public-private partnership to make the investments we need to get fast Internet to every last mile of Vermont.



### Develop Statewide Available Business Property Database

If you Google "commercial real estate and Vermont," you will find hundreds of real estate companies. But what if you are looking for a specific size and location for your business? Working with Vermont's realtors and property management companies, the state could easily compile an inventory of business properties to make it easier for businesses looking to relocate to find the property and location that would suit their needs. In order to help redevelop hard-hit areas of the state, we will also identify Brownfield locations and other sites where state support is available for and for relocating existing business to create new jobs in the area.

### Make Commercial/Passenger Rail a Transportation Priority

As governor, I will work with our Congressional delegation to bring in Federal funds to help us develop more inter-city passenger rail service. A good start is the \$23 million already sitting in the bank that was obtained by Senator Jeffords to help Vermont re-establish passenger rail service on the Western corridor. My goal will be to serve both the Eastern and Western corridors of the state. With service to Boston, Albany, New York City and Montreal, and within Vermont through Bennington and Rutland to Burlington, we will make it easier for people to visit Vermont and for Vermonters to move around within the state using public transportation. As we upgrade tracks and switching technology for passenger rail, this will also help our businesses succeed. Our manufacturing industries need effective rail infrastructure to move their goods to market. Investments in rail are good for people, good for our communities, good for businesses and good for our environment.

### FARMING AND FORESTRY IN VERMONT'S ECONOMIC PLAN

Vermont's farms and forest product industries are not just part of Vermont's heritage. These businesses are central to Vermont's economic success today and into the future. From dairy farms that have been in the same family for more than a hundred years to the growing number of small organic vegetable farms, to companies manufacturing wood pellets, many Vermont families and communities rely on farming and forestry for their livelihood. Our working landscape is one of the things that makes us special and brings people from all over the world to visit.

And our agricultural and wood products are known for their unmatched quality.

Vermont's dairy industry produces more milk than any other New England state and represents nearly 80 percent of Vermont's agricultural sales. This means that the fortunes of many of our farmers rest on price fluctuations in a volatile market. Even with nearly 80 percent of Vermont covered in forests, Vermont's forestry industry is having a hard time competing with cheaper wood from Canada and abroad. During my Jobs Tour of Vermont, I met Vermont farmers and foresters who struggle to make ends meet. I was also impressed by the many innovative approaches families are taking to modernize their operations and bring their products to new markets.

As governor, I will take an active role in helping our struggling farmers by supporting family farms both as a way to make a living and for their good quality of life. I will bring leadership to revitalize and refocus our agricultural policy to balance support for large farms with support for local, small-scale agriculture. I will promote policies that encourage diversification of farm products so that Vermont is less reliant on the fluid milk market and so that we can produce more of the food we eat and have a greater diversity of products to export. I will invest in the infrastructure needed to expand local food processing including the development of community processing facilities, slaughterhouse capacity and meat inspection programs.

As governor, I will be a strong voice for Vermont's Buy Local Movement and farm-to-table programs that get Vermont products into our kitchens and into our schools. We already have a great infrastructure in place for community-based food systems. We have more farmers' markets per capita of any state in the country – and many of them are moving to year-round markets – and there are a growing number of Vermont value-added food products available in our stores.

I believe our wood products industry can be revitalized by a new focus on biomass energy. For example, with a growing need for heat sources that do not rely on fossil fuels, wood pellet manufacturing can be a great part of a responsible forest management plan. I will encourage investments in wood pellet manufacturing as a way to meet the needs of the growing renewable thermal energy market, while protecting Vermont's forest resources through proper forest management practices.



### Keep Vermont the Best Place to Live, Work and Raise a Family

### KEEPING OUR COMMITMENT TO PUBLIC EDUCATION

As a mother of three who have gone through Vermont's public schools (two are still in high school), I know how important it is for us to maintain our commitment to Vermont's public schools. Our schools are recognized as some of the very best in the country. On the National Assessment of Educational Progress (NAEP), our students rank 2nd or better in reading, and 3rd or better in math. When we compare our math results with similar states, Vermont's students outperform all but one state. Clearly, we are doing something right.

I also know that we are facing some serious challenges as a state. One out of five of our young people don't graduate from high school. Fewer than half of our students go on to higher education; and when they do, colleges report that many of these students are not well-prepared. At the same time, our school-age population is declining and the costs of educating our children are growing. For the first time in Vermont's history, we need to meet the challenge of growing diversity in our schools, and meet the needs of children whose first language is not English. We need to keep our schools affordable while transforming education to better prepare our students for the future.

The decisions we make today about our system of public education will shape Vermont's future for decades to come. These decisions will determine whether our kids have a chance to compete in the global economy, whether they will be active citizens and whether they will be able to fulfill their individual potential and build a good life for themselves and for their families. We cannot let our children down.

Two-thirds of all new jobs require advanced training or higher education. Today, a person who never earned a high school diploma will earn three times less than a person with a college degree, making it harder to support a family and to enjoy a good quality of life.

A good education is also important for Vermont's economic future. Without workforce training in the skills of the 21st century – including math, science, technology and communications – businesses will have a hard time

recruiting the workforce they need to start, grow and succeed in Vermont, and we will be less competitive as a state.

My vision for Vermont is for all of our schools to meet the challenges of the 21st century: We must encourage innovation and demand reform. Parents must get involved in their children's education and communities must come together to meet the challenges of increasing diversity. As a state, we must have high aspirations and expect every child to graduate high school and seek higher education or get a good paying job. Our schools and school boards must be held accountable for results and our communities must treat our schools as an investment in the future.

### **Early Childhood Education**

My plan begins with investing in early childhood education. That is because we know that children who begin school ready to learn are more likely to succeed in school and in life. They will score higher in reading and math. They are more likely to graduate high school, attend college and hold a good paying job.

Vermont has already made tremendous strides in early education. The number of children in preschool has risen dramatically, yet still only 52 percent of 4-year-olds and 17 percent of 3-year-olds were enrolled in an early education program. According to the National Institute for Early Education, the long-term economic benefits for the education funding amounts to about \$25,000 in savings over the life of a child.

Our kids need more than just a safe and nurturing child care. We need to reform our early education system, creating a unified statewide approach where every community has programs that can serve the children in its area. As governor, I will propose an early childhood education system that coordinates local partnership programs, trains private caregivers, and establishes a basic curriculum that will prepare children for success in school.

### **Reforming High School Education**

High school reform begins with educational leadership. As Secretary of State, I developed an innovative civics education program that has been used by hundreds



of Vermont teachers and many thousands of Vermont students. This program took me to nearly every school in the state to visit classrooms and talk with students, teachers and administrators about Vermont government, politics and the importance of getting involved. This experience showed me that educational leadership makes a difference.

In some communities, I speak to classes in which students are prepared with questions. They engage in lively discussion. In other schools, the students are disengaged. They don't care and barely listen. They won't look me in the eye and are unprepared. Some even fall asleep during class! In my experience, the differences between these schools are not the disparity between rich and poor, but are the consequence of a difference in education leadership.

We need educational leaders, starting with the governor and including the Commissioner of Education, school superintendents, principals and others who understand the importance of having high standards in our schools. We must also meet the challenge to change the way we educate our children so that they develop the skills they will need to succeed. This means that when our schools teach math, science, English, social studies, languages, technology and the arts, that we also focus on broader competencies such as critical thinking, problem solving, collaboration, creativity and communication. Experts predict that these "soft skills" will be essential to prepare the next generation for the jobs of the 21st century.

In order to stay competitive and give our students every advantage for success, we will need to do things differently. We must look at longer school days and school years. We must link our students to our colleges and universities earlier, making it possible for more students to take college-level courses while still in high school. We need to ensure that our schools have access to the technology they need to prepare students for the new economy, and that our teachers have the necessary training to integrate this technology in the classroom. We need to provide more opportunities for students to get into the workplace for internships and community-based learning. And we need to hold parents and students, as well as our schools and teachers, accountable for results.

### **Increase Vermont's Graduation Rates**

According to the Vermont Commission on Higher Education, for every 100 students who enter Vermont's public schools, only 80 graduate. The 20 percent who do not graduate are left with few good options. In most

cases, they end up in low-paying, dead-end jobs. Drug and alcohol addiction and teen pregnancy can compound the challenges these young people face. We can do better.

As governor, I will lead the effort to insist that all of our children graduate high school ready for college or career, and ready for citizenship. I believe it is time to follow the lead of our neighbor, New Hampshire, and require all children to stay in school until they graduate or turn 18. I will work with the Commissioner of Education to develop a comprehensive approach to reduce Vermont's drop-out rate and expand alternative education opportunities. In addition to continuing to support our technical schools, we must expand students' options for night school, community-based and workplace learning, apprenticeships in the trades and the opportunity to earn GEDs.

### **Make College Affordable**

Of the 100 Vermont children who start school in Vermont, 80 graduate high school. Of those 80 kids, only 44 go on to higher education. Of those 44, only 26 graduate. That leaves nearly two thirds of our children without a college education and the opportunities for success that come along with it. The high cost of college is a large part of the problem. When my oldest daughter started college last year, Paul and I remortgaged our house to pay the tuition bills. I can understand how working families who are already struggling to make ends meet find college education for their children unaffordable.

As governor, I will collaborate with our state colleges and universities to help them find efficiencies to keep tuition costs down. I will make it possible for Vermont colleges and universities to benefit from lower-cost state contracts for goods and services. I will also work with our Congressional delegation to expand federal loan and scholarship programs for Vermont students, and I will support state investments in higher education and will look at ways to expand existing scholarship programs to make them accessible to more Vermont students. As governor, I will look for ways to create incentives for employers to help pay for an employee's degree program or job training by offering tax credits.

### **Stronger School Districts**

We must bend the cost curve in education to keep Vermont affordable. With our school-age population shrinking, we



must find efficiencies so teachers can teach and children can learn. We have 62 supervisory unions and fewer than 95,000 students. I will lead efforts to consolidate school administration by reducing the number of supervisory unions in Vermont. I will also create incentives to encourage communities to consolidate small schools – but my administration will respect the rights of communities to make these important decisions. We can strengthen our supervisory unions even while we consolidate. It should never be front-page news that schools are bulk purchasing heating fuel or school supplies. In my administration, these types of smart and sensible joint purchasing agreements will be the norm, and we will give school districts the tools they need to share resources across jurisdictions.

### Give Parents the Tools to Help Children Succeed.

Research shows that the more parents are involved in their children's education, the more students will succeed. As a mom, I know that it is my job to turn off the television (or computer games) and make sure my kids get their homework done, get to bed at a reasonable hour and arrive at school on time, ready to learn. As governor, I will give parents the tools to help them help their children succeed.

Vermont's schools should make it easy for parents to monitor the progress of their children. Parents should be given regular progress reports using Internet technology or more traditional methods of regular communication so that they know whether homework is being handed in and how their children are doing on tests and quizzes. We need to help parents catch problems before their child falls behind. Parents should know whether their children are on the path to college.

I will encourage schools and parents to work together to establish an agreement laying out expectations for students' attendance, behavior and homework, and I will ask that parents be informed about academic support, special academic opportunities, after-school programs and free and reduced-price food programs for students. I will call on parents to limit the hours kids spend watching television, surfing the Internet or playing video games so they can exercise and get their homework done. And I will support the expansion of after-school programs like the Boys and Girls Clubs and teen centers, which give children healthy alternatives after school and on weekends.

### **Respect Teachers**

As a mother of three children educated in public schools, I understand how hard our teachers work and how important they are in our students' lives. As governor, I will respect

the work our teachers do and their commitment to our students. Whether we are looking at ways to strengthen educational leadership in our schools, lower the dropout rate, transform high school education or bend the cost curve for our schools, teachers must be at the table. I know that together we will ensure that Vermont keeps its commitment to our children by maintaining our commitment to our public schools.

### QUALITY, AFFORDABLE HEALTH CARE FOR ALL VERMONTERS

As governor, I will fight for quality, affordable health care for all Vermonters. Vermont has been a national leader in health reform, starting with our commitment to making sure that every child has access to health care. Our Blueprint for Health is a model for other states looking to prevent and manage chronic conditions such as diabetes. And our Catamount Health Program is a first step to make sure that every Vermonter has access to health coverage.

Yet there are still more than 62,000 Vermonters who have no access to health care and who use the expensive emergency room as a backstop; and despite all our efforts, health care costs for Vermont families keep rising. The most frequent cause of individual bankruptcy is the cost of paying for hospitalization and medical costs associated with an accident, illness or disability. We must figure out a way to go the extra mile for our families, businesses and government workers and the final 10 percent. Unless we can stem the rising cost of health care, it will stand in the way of economic prosperity for Vermont's working families and our businesses – both large and small

I was disappointed by the results of the health care debate in Washington, D.C. earlier this year. The health reform bill signed by President Obama doesn't go far enough to expand access or reduce costs, and it does not include a public option. As governor, I will work aggressively to make Vermont a national leader in health care reform once again. I will work with our federal delegation to get a waiver to allow Vermont to engage in a demonstration project to ensure that every Vermonter has access to the doctors, medicines and care they need. Because of the small size of our population, we could do what many large businesses do, self-insure. This will allow Vermont to put



in place a system in which everyone gets care, everyone pays for care. Perhaps most importantly, we can better control costs of health care by reducing administrative costs, and by allowing the state to bargain with pharmaceutical companies and care providers. To lower costs of care, we must change some of the incentives in our health care system. If we can ensure doctors are fairly reimbursed for caring for patients instead of for how many patients they can see in an hour or how many procedures they can order, costs will go down and quality will go up. We must ensure that our health care dollars are spent on providing every person with access to quality, affordable health care.

#### **Health Care for Kids**

According to the Kaiser Foundation, there are still 9,100 Vermont children who have no access to health care. This is unacceptable. Nearly 63 percent of these children are eligible for services, yet aren't receiving them. To get children in Vermont the medical services they need through Dr. Dynosaur, costs only \$2,700 per child. This cost is shared with families and uses both state and federal funds. The more children participate in Dr. Dynosaur, the more money it saves overall since prevention and regular visits to a primary care physician decrease dependence on emergency room visits, which is the most expensive care. As a mom, I know flu season alone could cost our state hundreds of thousands of dollars in emergency room visits for children who have no primary care physician. As governor, I will make sure every child has health insurance and that our premiums for families do not rise to unaffordable levels.

### **Eliminating Health Care Overhead**

The Journal Health Affairs estimated that medical paperwork and the labor costs to fill and file that paperwork costs doctors and patients more than \$7 billion nationwide, including millions in wrongly denied claims because of insurance company loopholes designed to confuse. I will launch a pilot program statewide with the largest hospitals and doctors groups to implement standardized billing procedures that will reduce overhead in health care, cost consumers less and eliminate headaches for medical professionals.

### Federal Changes to Health Care

The federal health care reform efforts mean that soon nearly 75,000 Vermonter will have access to more affordable health care, more than 18,000 Vermont seniors will see the "donut-hole" in Medicare Part D cut in half, and 11,500 small businesses will qualify for tax credits to offset

payments towards employees' health care costs. While we need to go even further in Vermont, as I outlined above, I am excited to implement the Health Insurance Exchange component of health care reform when I am governor.

As early as March 2011, states will apply for federal grants to design health insurance exchanges for small businesses and individuals buying health insurance on their own. The exchanges look just like Expedia or Orbitz, where consumers can choose the type of plan they want and see different options. This ensures that they will find the lowest price possible. As governor, I will make sure Vermont leads the nation with an innovative state health care exchange that includes a public option. Until we can implement a universal system, this is another step forward to make sure the health insurance monopoly ends and a level playing field is created for consumers.

### **Quality, Affordable Prescription Drugs**

Reforms at the federal level make Medicare Part D more affordable, but seniors, families and business are still paying too much, and pharmaceutical companies' profits continue to soar. As governor, I will institute a cross-border program to make sure Vermonters pay the same costs for safe, quality prescription drugs that our Canadian neighbors pay. There have been bipartisan efforts in Congress to make the importation of prescription drugs safe and legal. Unfortunately, lobbyists continue to block these efforts. As governor, I will fight the drug companies to make affordable, quality prescription drugs available from Canada for Vermonters.

### **ENERGY AND THE ENVIRONMENT**

My top priority as governor is to get Vermonters working again and to keep Vermont the best place to live, work and raise a family. My environmental agenda will be closely tied to these goals.

As a state, we are known for our clean lakes, clear air, scenic farm and woodlands, and beautiful forested mountains. We are proud of the fact that we don't allow billboards to destroy our scenic views, that we have preserved our rural character and, unlike many other places in the country, we still have vibrant communities with neat village centers and thriving downtowns.



But this has not happened by accident. From the bottle bill to our billboard regulations, from our land use planning laws to our land conservation investments, Vermont has been a national leader in environmental stewardship. As governor, I will continue this important legacy.

First, I will implement an energy plan that combines investments in energy efficiency and conservation with investment in clean energy manufacturing technologies to jumpstart job creation, reduce our energy consumption and combat global warming. The fact that we will not be re-licensing Vermont Yankee gives the next governor an opportunity to take leadership to set bold goals for replacing the energy with home-grown renewables and to take advantage of new, smart-grid investments to involve families and businesses in demand-side management so that, as a state, we can take control of our energy future.

I will also focus on smart-growth planning that protects Vermont's working landscape, preserves Vermont's village centers and helps us plan for a sustainable future. We must act today to make sure that our children and grandchildren will be able to enjoy the quality of life we enjoy today. That means making investments in our downtowns, conserving open land and protecting our forests, helping Vermont's farmers flourish by supporting the development of local food systems and the buy-local movement, and supporting investments that will spur the development of green jobs that are close to home.

Finally, I will take meaningful steps to clean up our waterways, including Lake Champlain. Clean and Clear has not gone far enough to meet the challenge of cleaning up our lakes. We need to have measurable goals and then stick to them and work with our Federal delegation to get the resources we need to make the critical investments necessary to clean up our waterways.

#### **Energy**

Vermont is at an energy crossroads: contracts for twothirds of Vermont's electricity are expiring within 5 years; we have an aging nuclear power plant within our borders; because of our rural communities, Vermonters use more gas for driving than average Americans.

In addition, Vermont has some of the oldest and least energy-efficient housing stock in the country, and we have long heating seasons. We send more than \$2 billion out of state despite these high-energy needs because we only supply 10 percent of our energy from local production. As governor, I will provide the strong leadership we need to ensure that we have access to clean, safe, secure and affordable energy today into the future. I will create a long-term plan to generate clean energy in Vermont to fuel the state far into the future. For the short-term, I will invest in energy efficiency, removing barriers for Vermonters to retrofit their homes and businesses. This is a win-win approach as investments in efficiency create jobs, save Vermont families and businesses money on heat and electric bills and reduce Vermont's contribution to global warming. New recovery act investments in a smart grid will allow Vermont families and businesses to monitor their own energy use. This will be a great way to save money and reduce Vermont's need for new energy investments.

I will harness the efforts of our Congressional delegation to ensure that Vermont leads the nation in the manufacture and use of new energy technologies. Vermont already has some of the fastest growing renewable energy businesses in the country. I am a strong supporter of community wind projects, hydropower, solar, biomass and geothermal energy production. As governor, I will review our regulatory process to ensure that renewable energy projects get a fair hearing and fast results.

We also have a great opportunity to bring low-cost power to Vermont from Hydro-Quebec. Hydro-Quebec wants to bring its power to the rest of New England and we already have transmission lines in place that could be upgraded to serve this purpose in exchange for a long-term, low-cost power contract.

As governor, I will find creative solutions to meet the public transportation needs of Vermonters and I will support investments in rail to help our businesses get their goods to market more efficiently and to provide more transportation options for Vermonters. We must make it a priority to get trains running to Burlington once again.

New energy investments in Vermont cannot happen overnight. But they will not happen at all without a governor who commits to the strategy that is essential for a cleaner planet, a vibrant economy and a more secure world. Tackling Vermont's energy future will require creative collaboration among public officials, businesses, citizen groups, environmentalists and others. I will bring the stakeholders to the table and generate a plan that will succeed.



### **Planning for Vermont's Energy Future**

As governor, I will revitalize the Vermont Department of Public Service (DPS). The DPS should be playing a critical role in developing a long-term, comprehensive, statewide energy plan. Unfortunately, this office has been decimated by budget and staff cuts. As governor, I will shift resources to restore staffing levels and capacity so that DPS can fulfill its statutory responsibilities. The Office of Planning, Performance and Partnership will also be charged with ensuring that all agencies and programs of state government are aligned toward implementing an efficient, renewable energy economy.

As governor, my energy policy will focus on four priorities:

Invest in energy efficiency opportunities in buildings Develop in-state renewable energy resources Secure a reliable and affordable supply of electricity Support for public transportation

### Save Energy and Save Money by Weatherizing Buildings

Much of Vermont's housing and commercial building stock is old and inefficient. In 2008, the state legislature established a goal of improving the energy fitness of at least 20 percent of the state's housing stock by 2017, and 25 percent of the state's housing stock by the year 2020.

We can do better than that. With the cost of fossil fuel rising, Vermonters cannot afford to wait 30-50 years for our buildings to be weatherized up to cost-effective levels.

One of the biggest obstacles to realizing these savings is ineffective compliance with the new efficiency codes. For example, in 2008, only 60 percent of new homes met the existing statewide energy efficiency code. As governor, I will work with contractors and lenders to ensure these codes are effective and are being enforced. This will save consumers money and create more efficient homes and businesses.

As governor, I will make investments in efficiency affordable for Vermont's working families and for owners of rental housing. Building efficiency investments are among the more sound investments available – yielding return on investments of 10-15 percent on average. A new law permits local governments to establish special assessment districts to fund energy efficiency and other clean energy projects, known as Property Assessed Clean Energy (PACE). This new funding mechanism makes it possible

for property owners to finance efficiency investments (and renewable energy) over the payback period of the investment, with a surcharge on their property taxes. If the property is sold, the new owner becomes responsible for the surcharge. As governor, I will look for ways to expand this program and allow Vermont to invest some of its own funds to help support efficiency.

The state of Vermont must lead the way.

The state's energy practices are models for the business and residential communities, and can also drive the market for energy efficient products and services. Many of Vermont government buildings are old and inefficient, and are wasting taxpayer dollars. As governor, I will develop and implement a building efficiency upgrade plan to weatherize all state-owned buildings by 2020.

To realize these savings, we need to expand the trained labor force to do the job. Vermont has approximately 75 home energy professionals certified by the Building Performance Institute (BPI). These numbers must increase if Vermont is going to meet its goals of weatherizing enough homes to bend the energy-use curve. In collaboration with Efficiency Vermont, Vermont's colleges, universities, organized labor and businesses, we will establish a Center for Efficiency and Weatherization to help train the workforce necessary to meet the growing demand.

I will also institute an educational outreach program on efficiency savings opportunities. Financial incentives will allow Vermonters to access the resources necessary to utilize new and existing energy efficiency programs. Vermont families, institutions and businesses need more information to make informed decisions about how they use and conserve energy. Information about energy consumption costs should be part of a property listing and should be given to renters before they agree to rent a property. This information is critical so that buyers and renters can make informed decisions about the full operational costs associated with owning/renting a building.

### Save Energy and Save Money by Investing in Electrical Efficiency

In 2008, Vermont decreased its annual statewide electrical demand requirements by 2.5 percent – reducing the need for expensive new generation and transmission infrastructure to meet that demand. Vermont is a leader in



electrical efficiency improvements through the initiatives of the state's efficiency utility, Efficiency Vermont, but we could be doing more. As governor, I will support existing efforts to help our businesses and residents make cost-effective investments to save energy and provide additional incentives for Vermont's families and businesses to invest in energy efficiency to reduce their costs and create jobs.

In addition, Vermont utilities are moving ahead with a statewide effort to install "smart meters" in homes and businesses. These meters have the ability to communicate between the customer and utility, can be read remotely and have the ability to potentially help electrical customers better manage their energy usage. As governor, I will ensure that "smart meters" are used to help Vermonters save energy by providing the information families need to make smart choices, such as providing in-home, real-time electrical usage displays and coupling smart meters with education programs on how to reduce electrical usage.

### **Develop In-State Renewable Energy Resources**

In 2008, Vermont was dependent on fossil fuels and other non-renewable sources of energy to meet 94 percent of its energy needs. These non-renewable resources are imported from beyond Vermont's borders, sending Vermont's jobs out of state and draining the economy. As governor, I will lead efforts to stimulate Vermont's economy by supporting clean, reliable power generation from renewable resources found right here within Vermont. My policies would encourage the development of renewable energy investments in wood and other biomass, wind, solar, geothermal and hydro resources.

### **Biomass**

Nearly \$400 million leaves the Vermont economy every year to support fossil fuel purchases for heating. Forests covering 76 percent of Vermont's land area are ideally suited to include biomass as a significant part of our long-term energy strategy. Biomass refers to any organic matter that can be used to make energy, including wood, manure, food wastes and agricultural crops. Transition to biomass energy will require putting in place the infrastructure and assuring adequate financing for both the suppliers and users of biomass. Large institutional buildings can be converted to wood chips, including public schools, hospitals, state offices, and colleges. And we need to support the infrastructure for manufacturing and distributing wood pellets. The economic development benefits of biomass use are significant for jobs in rural areas, the forest products industry and to new markets for wood waste. Transition to biomass will also protect Vermonters from potentially volatile fossil fuel prices and disruptions.

#### Wind

Vermont's topography is ideal for capturing wind power on a year-round basis. In theory, Vermont has enough wind resources to exceed its electrical demand. However, much of this resource is located in environmentally sensitive areas, and issues such as noise pollution, visual impacts and loss of birds/bats make properly sighting wind turbines a priority. Like other resources, wind generation has impacts that must be responsibly managed. We need to achieve a balance between our need for renewable energy sources and protecting our quality of life.

Unfortunately, Vermont has fallen behind other New England states and New York in wind energy production. New York alone has 1,300 mega-watts (MW) of capacity either built or under construction, while Maine has set a goal of 3,000 MW by the year 2020. Meanwhile, Vermont produces less than 10 MW of its electricity from wind, with less than 100 MW currently under development.

As governor, I will establish realistic goals for expanding wind generation in Vermont. I will lead a planning effort to identify and then remove from consideration all locations where wind should not be located because of environmental, health or safety concerns; and I will develop a transparent, logical, and timely regulatory process for wind projects that encourage the implementation of community wind projects. I will especially encourage the development of wind projects where the economic benefits from wind energy are tied directly to the community – not just to the developers.

### Solar

We can tap into the power of the sun and meet our energy needs with passive solar gain for home heating, solar panels for hot water and solar electric cells. As governor, I will promote sound land use policies in town plans and zoning regulations, expand financing opportunities for passive solar and support decentralized, small-scale solar electric systems.

### **Small-Scale Hydroelectric**

There has not been a new hydroelectric project permitted in Vermont in more than 50 years. As governor, I will support obtaining additional energy from in-state hydroelectric sources. I will direct the State Agency of Natural Resources and Department of Public Service



to work with environmental organizations and hydro developers to identify viable sites, develop a clear permitting process, and encourage development of appropriate sites.

### Reliable, Affordable Electricity

I help pay the bills in my family and for my office, so I know that cost counts when it comes to electricity. That is why, as governor, a top priority will be to ensure that Vermont has a reliable, affordable, and safe supply of electricity both now and into the future. As governor, I will task the Public Service Department to work with our utility companies to plan for a responsible transition to in-state and regional renewable energy. Currently, Vermont's power comes from a combination of sources including Hydro-Quebec and Vermont Yankee. Recently, Vermont's two largest utilities signed a 26-year contract with Hydro-Quebec to purchase up to 225 megawatts of power at market rates. Their most recent plans anticipated relying on Vermont Yankee for 11 percent of Vermont's energy needs. But with the Vermont Yankee nuclear power plant due to shut down in 2012, our utilities need to plan for replacing this power. In the short term, purchasing energy produced from natural gas is a cost-effective alternative while Vermont transitions to in-state and regional renewable energy resources.

### **Support Public Transportation**

Vermont's transportation sector is almost entirely dependent on imported fossil fuels and is responsible for nearly 59 percent of the state's greenhouse gas emissions. According to the UVM Transportation Research Center, from 2002-2008, spending on transportation fuels doubled in Vermont to an annual amount of \$1.2 billion. The estimated \$600 million dollars increase over this period is primarily a result in the skyrocketing price of gasoline and diesel fuels. Most of these dollars are exported out of the state — a painful drain on Vermont's economy. The cost of transportation is an increasing burden on Vermont's families, especially for those who have no choice but to drive long distances to work.

As governor, I will lead the state in a new way of thinking about transportation from a focus almost entirely based on building highways and bridges to broader vision, as a state, for increasing mobility and access to goods, services, recreation, and work for residents and for visitors.

Vermonters have shown time and again that they want transportation choices. As governor, I will support public transit options such as vans, trains and buses, and increasing use of non-polluting transportation modes such

as biking and walking. I will also support increasing the number of passengers in cars through ridesharing. I will focus limited dollars on solutions that are cost effective and expand opportunities to drive less. This will improve our economy and our environment. A priority for my administration will be expanding both passenger and commercial rail so that in the future we will be able to move goods to market and travel by train along both the eastern and western corridors with access to populations centers such as Boston, New York, Albany and Montreal.

When I am governor, I will direct Vermont's transportation planners to ensure that alternative transportation modes connect with one and other so, for example, will be possible for a passenger to easily get from the train or vanpool to a bus to the village center. I will also promote the use of incentives for employee-based commuter programs and I will encourage active transportation such as biking or walking to work and school. Programs such as "Safe Routes to School" encourage students to walk to and from school and are a great way to get kids into the habit of walking. I will also support downtown development and smart-growth principles, since one of the best ways to reduce vehicle travel and to support vibrant and livable communities is to plan and build places where people can easily walk or bike to work, school, shopping and recreation.

#### Cleaning Up our Waterways

Vermont is known for our beautiful lakes, ponds and rivers. These are not just great spots to fish, boat and swim, but they provide much of our drinking water and contribute to our economic health by attracting visitors from all over the world.

Today, many of our lakes and ponds are at risk.

Phosphorous pollution from sewage treatment plants, agricultural runoff and stormwater discharges are still contaminating our waterways. We also have the challenge of a growing number of invasive species including zebra mussels, Eurasian milfoil and "rock snot," which are harming our lakes and rivers.

Vermont receives significant federal funding to improve water quality. As governor, I will make these funds work harder and more effectively. It is unacceptable that Lake Champlain is getting dirtier every year. I will support



scientifically-based, specific non-point-source pollution prevention measures including low-impact development, stream buffers and improved road management. My managers at the Agency for Natural Resources and the Department of Transportation will measure and report on effectiveness of these programs annually.

Agricultural runoff and storm water discharges are big contributors to pollution in our waterways. As Secretary of State, I proved I can work effectively with regulated communities to solve tough problems. I will bring that same skill and commitment to my work as governor. I will focus on solutions that are proven to reduce pollution. I will work with farmers, businesses and towns to reduce runoff and support these efforts with available funding, and clear and consistent enforcement. No one will get a free pass to pollute when I am governor.

As governor, I will also focus on reducing the pollution created by our state road maintenance practices. The state's transportation run-off maintenance plan was put into place in 2007, but we have never measured whether it is working. As governor, I will make sure state government is leading the way to reduce pollution of Vermont's waterways.

As governor, I will support the goals of "Clean and Clear," but will match those goals with measurable expectations for pollution reduction. I will work with our federal delegation to get the funding we need enhance our efforts to clean up Lake Champlain, I will help municipalities obtain the financing they need to upgrade municipal wastewater treatment facilities and I will bring to the table farmers, businesses, developers, environmentalists and local citizens to collaborate in the effort to clean up our lakes and waterways.

### Preserving Vermont's Open Spaces and Supporting Smart-Growth Principles

The best approach to protecting our natural environment and creating livable communities is to developing and implementing a good plan. As an attorney at the Vermont League of Cities and Towns earlier in my career, I wrote manuals for local officials on local land-use planning, and I was the author of Vermont Municipal Guide to Land Use Regulation for attorneys, advocacy organizations and municipalities. As Secretary of State, I worked with communities across Vermont to help them plan for a sustainable future. As governor, I will support smart-growth planning that protects our working landscape, preserves our village centers and helps us plan for a sustainable future.

We must act today to make sure that in the future our children and grandchildren will continue to enjoy a great quality of life in Vermont. That means making investments in our downtowns, conserving open land and protecting our forests, helping our farmers flourish by supporting the Current Use Program, by developing local food systems and the buy-local movement, and supporting investments that will spur the development of green jobs that are close to home.

As governor, I will also support Vermont's Current Use Program. It was enacted in the late 1970s at a time when towns were first required to tax property at 100 percent fair market value. Vermont policy makers recognized at that time that farms, forests and open land were valuable resources for the state, and that when we tax land at its development value it creates an economic incentive to subdivide and build on the land. Over the years, Vermont's Current Use policy has helped farmers and loggers and has benefited our communities. As governor, I will improve the Current Use Program to save money and to make it more effective and fair. I will increase the homestead exclusion and change the method of assessing and collecting the land-use change tax to create a more equitable formula for state reimbursement to towns.

Support for Vermont's Current Use Program is not just an environmental issue; it is also an issue that is central to our state's agricultural and forestry policy, and is important to our future economic prosperity.



## Government As Good As Vermont

To move ahead as a state, we will have to change business-as-usual in Montpelier. We are expecting to face a deficit next year of nearly \$120 million, and as more Vermonters are unemployed or under-employed, there are greater demands on government services.

I help pay the bills in my family, so I know how important it is to live within our means as a state. We cannot afford to waste a single tax dollar. We must be tough on waste, and government must be more responsive to the needs of the people it serves.

As Secretary of State, I managed an \$8.5 million budget, resolved the \$100,000 deficit I inherited. Over the years, I faced budget cuts and found ways to do more with less. We eliminated outdated programs, cut waste and used the savings to lower fees. We economically implemented an ambitious election reform agenda and put aside \$11 million in federal funds. The funds are in an election savings account that will offset future investments by our state and communities in meeting new state or federal election law mandates.

But perhaps most importantly, as Secretary of State I appointed mission-focused managers; I demanded transparency and accountability throughout the agency. And as a result, we transformed the office from a culture of bureaucracy and red tape to a culture of service. I will do this again across state government and in every agency.

As governor, I'll be tough on waste. I'll carry a big ruler into office and resize our government to put Vermont back on the right track. We will do more with less, but we will not skimp on the services that make us a great state to live in – that keep us whole and prepare us for the future.

### **CUSTOMER SERVICE FIRST**

### Take the Politics Out of Appointments

One of the reasons I was so successful as Secretary of State is that I never asked anyone about their political views before I hired them. In fact, I looked to employ people who had previously worked in Republican as well as Democratic administrations because that told me they were well-respected in their fields and could get the job done. As governor, I will continue this practice. The people I choose to lead our state agencies will be the best and brightest; people with management skills as well as practical experience and expertise in the areas that they

will be overseeing. With mission-focused managers in place we will be ready to transform state government to ensure that Vermont remains the best place to live, work and raise a family.

### **Listen to Our Customers**

When I first took office as Secretary of State, I went on the road to visit the Vermonters who routinely use our office's services. I traveled from Newport to Bennington and spoke with business leaders, bankers, lawyers, realtors, nurses, teachers, town clerks and others to get ideas for ways we could improve our services and better meet their needs. This feedback was invaluable and, by involving our employees, we were able to transform our office to better serve our customers – the people of Vermont. As governor, I will continue this practice and I will ask my agency heads to do the same.

We will explore ways to use online surveys more broadly to solicit customer feedback from all of our agencies (The Department of Motor Vehicles already provides such a service, and has used it to greatly improve its services to Vermonters.)

#### **Put Government Online**

Vermont's state government gets poor marks for how well services are delivered online. In a recent PEW study, Vermont was given a C- for its online services and information. This is not good enough. Today, customers want to be able to go online to get information and to transact business. We must do better – and I know we can.

The Secretary of State's office web site is known as one of the best sites in the state. Businesses can search the trade name database or renew their corporate registration online at any time of the night or day – seven days a week. Citizens can find information about how to file a request for public records; they can look up the name of a notary public or the office hours of their town clerk. They can find out how to vote by mail and they can download a voter registration form. Couples can find out how to get married in Vermont, and students can find out what is required to become a licensed nurse. Kids can learn about how a bill becomes law, or they can hear Vermont's state song.

As governor, I will bring the rest of state government into the digital age. We can provide services more effectively and efficiently by providing citizens the option to do it online.



### **Transparency and Accountability**

As Secretary of State, I have been an outspoken advocate for open government. In 2006, I stood up to Governor Jim Douglas's attempt to create a new "deliberative process privilege" that would have allowed state agencies to refuse to disclose how and why policies were being written on the issues within their jurisdiction. I fought against these changes – and won – because secrecy is bad for democracy. The public has the right to know how and why important policy decisions are being made.

Openness in government is in everybody's best interest. After all, this is a democracy; we are spending the public's money, so the public has a right to know what their government is up to and to hold it accountable. But perhaps more importantly, when government officials operate in secret, we undermine public confidence in the competence and fairness of government, and we make it more likely that special treatment and mistakes will be made. As governor, I will ensure there is transparency and accountability throughout state government.

Transparency and accountability are not just the right thing to do, but they make government more efficient and effective. I succeeded as Secretary of State in large part because I demanded transparency and accountability throughout my agency. For example, when I first took office there was a tremendous backlog of consumer complaints, with many complaints sitting for years without resolution. We instituted a Case Management Program that identified where in the process every complaint was, and held staff accountable for cases that were more than a few months old. This made all the difference in ensuring that complaints were resolved without unnecessary delay.

### Review Government Accessibility Based on Geography

The best part about being Secretary of State is the chance I've had to work with nearly every community in the state, speaking speak to students and helping local officials get their jobs done. This experience has made me see, first hand, that state services are distributed unevenly, and that our rural areas are sometimes left behind. As governor, I will ask my administration to use technology to track which communities are making use of services and flag communities that may have been left behind in the past. We need to ensure access to important services if we are going to make sure every town in Vermont is part of our economic recovery.

### **Embracing Diversity**

In his last years in office, Governor Howard Dean identified Vermont's growing racial, ethnic and cultural diversity as a new challenge for Vermont, and he pledged to create a statewide tone condemning racism in Vermont schools, state government and in our communities. As governor, I will take this pledge one step further. I will make Vermont a welcoming place for people of all races and ethnicities. I will make it a goal for every agency to strengthen fairness and eliminate prejudice and discrimination of every kind. In my Office of Planning, Partnership and Performance, there will be a position dedicated to ensuring that issues of diversity are included in all of our public policy conversations — whether about health outcomes, economic development investments, education quality or law enforcement.

This is not just the right thing to do; it is imperative to our economic success if we are going to remain economically competitive as a state. Vermont's largest employers need to attract a diverse workforce in order to succeed in a global economy. Unless Vermont becomes a more welcoming place for people of all cultures, races and ethnicities, these recruitment efforts will continue to be a challenge.

### THE RIGHT-SIZE RULER

### Institute Government Metrics and Measurement System

Do Economic Recovery Zone Bonds work? Are businesses that get tax breaks really creating jobs? Does Dr. Dynasaur reduce the number of children with diabetes? How long does it take for the Department of Transportation, on average, to fill a pothole on I-89? We don't know these answers because Vermont lacks an effective system for gathering information across state government. As governor, I will make sure we implement a metrics system to rate the performance of each and every service government undertakes. It will make government better for Vermonters, help us save money so we can reinvest money for job creation and make our state employees proud of their work – and Vermonters proud of them.



### **Budget Transparency**

In tough economic times, Vermont families and businesses work hard to count and budget every penny. We need to demand the same from state government. To hold Vermont state government accountable for its spending, we must increase transparency and provide better information about the state budget.

As governor, I will work with the State Treasurers' office to develop a searchable database that includes the budget for every agency and department, salaries, expenditures, state contracts and grants. Once budget and expenditure information is online, the media and the voters can see how tax dollars are being spent. This will empower the public to participate in budget discussions and it will allow our leaders to be held accountable.

### **Use Performance-Based Contracting**

Vermont spends millions of dollars on private contracts. These contracts vary, from the delivery of mental health programs to computer programming services. As governor, I will ask my agency heads to move to performance-based contracts. Rather than micromanaging contracts by spelling out every detail of how we expect the goals to be achieved, we can give our private sector and non-profit partners more flexibility to innovate. An agency that uses the performance-based approach identifies the problems that need to be solved and asks for bids from contractors to achieve the desired goals. The agency must develop clear ways to measure the contractors' performance and the results over the course of the contract.

Performance-based contracting will save the state money, will encourage innovation and will provide better results for Vermonters.

#### PARTNERSHIP AND PLANNING

### Develop a Long-Term Budget Austerity Plan

When my husband, Paul, and I sit down at our kitchen table to plan our family budget, we don't just plan out for one year of expenses. We create a budget that focuses on our future needs, such as retirement and anticipated costs of college for our children. The state should budget this way too. When I become governor, I will present to the

legislature a budget that addresses Vermont's immediate needs, but I will also develop a plan for long-term fiscal integrity. Two years is not long enough for any governor to set a vision and see it through, but by leaving our successors a budget map, we can help set a stable course for Vermont and for an economically sustainable future for five and ten years ahead.

### Revive the Office of Planning, Performance and Partnership

According to Governing Magazine, a PEW study on the states found that "Vermont is a national leader in handling small discrete issues [helping foster children get drivers licenses] and huge global ones [global warming]" but falls short on "formal long-range strategic thinking." Vermont is handicapped because we do not have a systematic approach to planning for our future.

As governor, I will revive the "planning office" to work with critical partners in the private and public sector to plan for Vermont's future. We need to work together – across government silos and with all stakeholders – to position ourselves to be leaders, to create 21st century jobs, to meet the needs of our citizens as they age, and to prepare for an energy future that does not rely on fossil fuel. We need to work together to preserve traditional land use patterns, to support our village centers and to encourage greater civic involvement.

One of the things I have learned from 20 years working with community leaders in every town in Vermont and with small businesses across the state is that top-down decisions from Montpelier rarely work. I will revive the office of Planning, Performance and Partnership for this reason by reassigning positions that had focused on public relations to focus instead on planning and policy. By combining the performance measures discussed earlier in this plan, and by convening stakeholders such as our non-profit, academic and private sector partners, we can take charge of our future and make sure that we are planning for a sustainable and prosperous future as a state.



### Municipal Liaison Officer to Strengthen State's Relationship with Cities and Towns.

Our local governments provide important services to Vermonters, and too often state policy impacts their ability to get their jobs done well. For this reason, when I am governor I will assign one of my senior staff members to serve as a Municipal Liaison Officer. This will be the go-to person on my Cabinet for city and town leaders who have concerns about state policy or who need help with a state agency. It is important for our municipal organizations to be able to contact someone directly in state government so that they can get a timely response to their concerns.

The Municipal Liaison Officer will be charged with communicating and coordinating with our local governments. It is important for state government to consider the perspectives of our municipalities as we come up with budget priorities and develop public policy. Local governments need to be at the table when important policy decisions are made – whether it relates to law enforcement policy, new environmental regulations or taxes. The Municipal Liaison Officer will be charged with taking into account and reminding policy makers of the sometimes unintended consequences of state action on Vermont's cities and towns.

### Involve State Workers in Government Tune-up

Vermont government needs a tune up. The problem with government efficiency programs like Challenges for Change is they come from legislators, executives or consultants who are not familiar with the day-to-day challenges of the jobs they are evaluating.

When I first took office as Secretary of State, I met with every employee to find out what he or she thought we could be doing better. Their feedback led to changes that saved the state money and resulted in better services to our customers. In contrast, this past winter the Challenges for Change consultants made recommendations for major changes without talking to the people on the front lines who deliver the services. In many instances the proposed changes were not feasible and would cost more money in the long term than they would save.

As governor, I will require my managers to consult with state employees to find out how we can do things better, and to help us identify things we shouldn't be doing at all.

### TAX REFORM THAT WORKS

### Move Ahead on Tax Reforms to Provide Incentives for Success

As governor, I will be committed to addressing inequities in our tax system. Across Vermont I hear from our small businesses, families and seniors about the effect of property taxes, income taxes, unemployment taxes, workers compensation taxes and corporate taxes on their ability to grow and thrive.

As governor, I will reform Vermont's antiquated tax code to make sure our taxes are fair and effective. The Vermont Tax Study Commission will be issuing a nonpartisan report on our tax code. This study will provide a good starting point, but as governor I will bring the leadership we will need to get the job done. My goal will be to have a system that ensures fairness to individuals and families, promotes a competitive business environment and removes obstacles to economic growth.

The first step will be to bring together a broad section of Vermonters to a working summit that produces proposed changes to move us forward.



## Standing Up for Vermont Values

"Freedom and Unity" is Vermont's state motto, and it stands for what we value: hard work and individual responsibility along with community. Vermonters know we all do better when we work together. During Colonial times, the first Vermonters came north and cleared the land for farms. They helped each other out to get through the hard winters, to raise barn roofs and to build schools, churches and community centers. Some of the very first organizations in our state were agricultural societies, churches and cemeteries. As communities progressed, they built libraries and formed guilds and associations. Freedom is vital, but unity is what makes Vermont the best place to live, work and raise a family. In this section, I will tell you about how I will do the right thing as governor: how I will support our communities, and how I will be a leader in tackling some of our toughest challenges as a state.

**VERMONT'S VETERANS** 

Vermonters have always risen to our country's call to duty, from the Revolutionary War, to the Civil War, to the most recent wars in the Middle East. We ask a lot of our soldiers and their families, and that is why, as Secretary of State, I started a program called "Honor a Vet with Your Vote." This program has given thousands of Vermonters the opportunity to honor those who have proudly served this country in the military by recognizing their important contributions in keeping our democracy strong. As Secretary of State, honoring those who proudly served our country has been a top priority of my administration, and as governor, caring for Vermont's veterans will be one of my top priorities.

As governor, I will make sure that our servicemen and women receive the respect, appreciation and support they have earned. I will continue to fund the Office of Veterans Affairs, whose director will have direct access to my office. We will continue to refine the services of that office to help veterans and their families easily access all state and federal benefits such as tax breaks, disability compensation, health benefits and survivor benefits.

I will also make sure that we are taking care of the families of our military men and women who are serving today. The most recent call-ups of our Vermont National Guardsmen and women were the largest since World War II, and it has been especially hard on families across Vermont. As Secretary of State, in anticipation of this troop deployment,

I created the Service for Service Program and the Guard Card Project to link our students to guard families. Service for Service engages students to help soldiers and their families through direct service, collecting needed items and raising money for the guard family program. Hundreds of students have participated by raising money, babysitting, stacking wood and helping out guard families in other ways in their communities. Our Guard Card Project let us distribute long-distance phone cards to deployed soldiers through a generous donation from Verizon, and with the assistance from the USO. Schools across Vermont organized fundraising activities to assist with the project, and the phone cards were distributed during deployment ceremonies last fall. As governor, I will make sure that we do all that we can to support our guard members and their families before, during and after deployment.

#### **INCREASING DIVERSITY**

Diversity presents both a challenge and an opportunity for Vermont. For the first time in the state's history, we have significant African and Asian immigrant communities, growing African American and Hispanic populations and growing religious diversity. In the Burlington-area school district, more than 55 languages are spoken. All over our state, growing immigrant communities are working hard to contribute to Vermont society. I'm excited by the changing face of Vermont, and as governor I'll be ready to meet the challenges and make sure our state agencies are prepared to address the relevant issues. For example, statistics show that a minority child is 20 percent more likely to attempt suicide than other children. As governor, I'll make sure the Department of Health takes that into account in their suicide prevention programs and policies.

As governor, I will lead the effort to make Vermont a welcoming place and to ensure all of our residents have an equal opportunity to live a good life here. In Vermont, we value who someone is, not what someone is. And diversity is good for our state. It offers us a richer cultural experience and brings in fresh ideas.

Studies show that diverse work forces are most successful. I will actively promote diversity so that Vermont businesses won't keep losing qualified candidates to other states that are perceived as more welcoming to people of color and



immigrants. I'll recruit leaders from diverse backgrounds to advise my office and state government at all levels. The Office of Planning, Performance and Partnership will include a Diversity Coordinator to act as a liaison with our growing diverse communities. As governor, I will hold state government accountable for meeting the needs of all our communities effectively, and with respect.

#### LAW ENFORCEMENT

My top priorities for Law Enforcement in Vermont is to get dangerous prescription drugs out of the hands of our kids; to increase training for police in domestic violence response; to improve law enforcements agencies' access to information by streamlining the information systems used by Vermont's various criminal justice agencies, and to make sure our state police have the resources they need to serve the state. Vermont has the lowest crime rate in the country, and as governor I'll make sure we keep it that way.

As a mom of teenagers, I have seen how drug abuse can wreck families, disrupt communities and destroy lives. Prescription drug abuse and associated collateral crimes (robberies, car break-ins) have become a growing epidemic in communities across Vermont. Law enforcement has been challenged in its efforts to combat this problem with limited resources and tools. As governor, I will convene a Prescription Drug Abuse Task Force that will be charged with developing collaborative strategies to reduce the danger of prescription drug abuse in Vermont and to come up with an action plan to help Vermont's communities address this growing problem. The task force will include representatives from public safety and local law enforcements, from public health, from experts with medical and pharmacy backgrounds, and from local, state and federal government officials. I will work with the drug companies and Vermont's medical and pharmacy professional to make it harder for prescription drugs to be obtained and sold on the black market. I will also call on doctors and pharmacists to participate in Vermont's Prescription Drug Monitoring System to keep track of the prescribing and dispensing of drugs that are most likely to lead to abuse, addiction or patient harm if they are not used properly.

In 2000, I worked with Vermont law enforcement, state's attorneys, victim advocates and survivors of domestic violence to put in place the Safe at Home Program to protect victims of domestic violence, rape and stalking from being tracked down by their victimizers through our public records system. During the process of developing

this program and getting it passed by the legislature and signed by the governor, I got to know many law enforcement officers who felt passionately about the need to end domestic violence in Vermont and to protect its victims. They told me that domestic violence remains one of the most difficult crimes for our law enforcement officers to address effectively and safely, and that we need to work continuously to bolster the training of those who are on the front lines of this issue. After an officer's initial training, which includes a course on domestic violence response, there is no requirement that officers receive updates to that training, even though laws and research on best practices are constantly refined.

As governor, I will work with Vermont's Criminal Justice Training Council to ensure that every police officer gets the training he or she needs to effectively address incidences of domestic violence. I will work with local law enforcement agencies, the state police, the state's attorney's offices and non-profits that serve victims of domestic violence to review existing procedures and protocols, and I will focus on making sure the victims of domestic violence are receiving effective support and services. Having the most up-to-date training and protocols are more important now than ever before because domestic violence in Vermont has been on the rise in the past few years.

In my twelve years managing the Secretary of State's office, I saw, firsthand, how the use of technology can save the state money and greatly enhance the ability to get the job done efficiently and effectively. Right now, there are eleven separate information systems used in the Vermont criminal justice system, making it impossible for law enforcement and other first responders to cross-reference, research and integrate information. The state is wasting resources by duplicating data entry, and the system is bogging down our front-line police officers, who aren't getting the information they need. As governor, I'll cut the waste and reinvest in significant infrastructure upgrades. Likewise, Public Safety Dispatch needs to be consolidated to save money and improve response time. I'll also make sure Vermont's criminal justice system has the capacity to prosecute criminals, and look for ways to ease the burden on our overloaded courts.

The Vermont State Police serve many roles in our communities. They are often called upon to support local law enforcement on tactical, hostage negotiations and



major crime investigations, which stretches their resources thin. As governor, I'll make sure the Vermont State Police have the resources they need to do their jobs well. I'll also work with police chiefs and sheriffs to make local jurisdictions more consistent in their enforcement of the law.

A few years ago, I had the chance to testify before the United State Senate's Special Committee on Aging. In that testimony, I recommended that we create policies to encourage senior citizens to stay as civically engaged as possible, for as long as possible. Active and healthy seniors contribute to our communities every day as volunteers and as role models, and as governor I will be proactive in my support.

### **GLBT EQUALITY ISSUES**

I am proud that Vermont led the nation in creating equality for gay, lesbian, bisexual and transgendered (GLBT) people by legalizing same-sex marriage. As governor, I will be vigilant about protecting these rights, and I will also take leadership on the national level to secure these rights for all Americans. It's time to end to the "Don't Ask, Don't Tell" policy, which hurts our men and women in uniform and their families. As governor, I'll also focus on promoting tolerance here in Vermont. We have the lowest rate of hate crimes in the nation – and when they do happen, they are prosecuted fully – but we need to do more to prevent harassment and bullying of GLBT youth in our schools and on the playground. I will work with our school boards and community leaders to make sure all Vermont children are safe.

### **VERMONT'S SENIORS**

Vermont's senior population is expected to grow by more than 87 percent in the next 15 years. With medical advances, not only are Americans living longer, but more of us will stay healthy and active well into our 80's. We need to start now to prepare for the increase in long-term care needs as more people will live long enough to develop age-related conditions such as dementia. As the number of senior citizens grow, so, too, will the need for accessible housing, quality medical services and first-rate, long-term care. As governor, I will support services that help seniors stay active, healthy and engaged. I will also support efforts that keep seniors in their homes, because it not only adds to quality of life, but it is more cost-effective than long-term care. I will make sure we have policies in place to ensure that seniors have access to support services in their homes.

As governor, I will engage Vermont's community organizations, medical professionals, service providers and families to ensure that Vermont seniors are afforded dignity and a good quality of life. I will support senior centers and adult day cares, and I will encourage innovative projects that bring the young and old together to enrich one another's lives.

### **DISABLED VERMONTERS**

Census figures show that nearly 17 percent of all Vermonters have some form of physical, mental or developmental disability. As governor, I will support policies that permit Vermonters with disabilities to live with dignity and with appropriate support in their own homes whenever possible, to participate in our communities, and to control and make decisions about their own lives.

As Secretary of State, I published a brochure entitled Disability Etiquette: A Guide to Respectful Communication, and an educational video to instruct government agencies on how to better serve our disabled citizens. I took the lead nationally to make it easier for people with disabilities to vote privately and independently by helping to develop a vote-by-phone system for use at our polling places. I also trained election officials to better serve Vermonters with disabilities, and implemented a mobile polling project to bring ballots to long-term care facilities. As governor, I will make sure all of government is accessible to Vermonters with disabilities.

I will focus our resources on strengthening community-based services for people with disabilities. And I will work to improve the training and supervision of people who provide homes for people with disabilities. Recent deaths highlight the importance of having safe and appropriate care for our most vulnerable population. I will also make sure we take the necessary steps to close the current Vermont State Hospital and replace it with a combination of care in our community hospitals and a new state-of-the-art state facility. We cannot afford to continue to lose nearly \$10 million a year in federal funding because our current state hospital does not meet appropriate standards. And we cannot permit disabled Vermonters to remain in a substandard facility.



Finally, I will support the creation of a mental health court to treat disorderly conduct and other minor infractions by people with disabilities as civil rather than criminal violations, to ease the burden on our criminal justice system and help get these Vermonters the treatment they need.

### THE CREATIVE ECONOMY

In Vermont arts and culture are important to our economy and to our quality of life. According to a 2010 study by Americans for the Arts, there are more than 2,100 Vermont businesses in the creative economy. These businesses employ nearly 7,000 Vermonters. Our arts and culture attract tourists, and studies show that these tourists tend to stay longer than other visitors to Vermont, and they tend to buy more Vermont products. And workers trained in visual arts are starting 21st century manufacturing businesses including software development, artistic handbags, jewelry and clothing, as well as starting companies devoted to new media.

Arts and culture make our communities great places to live, work and raise a family. Communities like Rockingham and Brandon were literally reborn because of a dedication to the cultural economy. Arts education in the schools helps our children by expanding their horizons, tapping into their potential. Studies also show that a good arts education prepares our children for 21st century jobs.

Supporting a creative economy is a smart move to build strong communities, sustainable local economies and a vibrant future for Vermont. As governor, I will include the arts and culture in my economic development plan for Vermont as well as in our marketing plan for the state. Private donations to the arts boost our economy. National research shows that every \$1 contributed to a nonprofit organization generates an average of \$8.58 in total economic return. I will encourage local giving to Vermont art, heritage and humanities organizations by creating a tax credit for the arts to encourage small individual donations to local arts, heritage and humanities organizations and to support arts education in the schools. A tax credit of up to \$100 will be available to Vermonters who donate up to \$100 to the Vermont Arts in Education fund when it is matched by a \$200 contribution to a local arts, heritage or humanities organization. Supporting Vermont's arts and culture makes sense. Supporting arts education in our schools will help our children succeed. As an investment, these contributions will create vibrant communities by strengthening the economy, improving education, and enhancing our quality of life.

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