

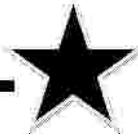
Revitalizing Our Economy

Getting Back to Basics to Rebuild Our Foundation



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It Starts with a Vision



Everywhere I go in Vermont, I see great potential.

Our state offers us so much, and the people who live here are generous and creative.

We can realize our full potential if our government works in partnership with the people and businesses of the state, and if we build a solid economic foundation so our families and businesses can prosper.

I was born in Vermont, and growing up here, I had a good life. I enjoyed our natural environment, I had a good education, and I was taught by my parents that if I had good values and I worked hard, I would do well in life, and I could be successful. I did have opportunities. My parents built up a family business that my brothers and I now own and manage, and I had the

opportunity for a very good higher education because one of my father's customers saw some potential in me. We were a working class family, but my two brothers and myself have been able to enjoy a better life because of the opportunities that were there for us.

As governor, I want to make sure that every Vermont family has these same opportunities.

I want every family to know that if they encourage their children to do well in school and to work hard, they will be better off. I want every Vermont child to have a high quality education and a real chance for a good job. I want our communities to thrive and prosper.

We can make this happen if we get back to basics and focus on what government can and should do for its people. The role of government is to make sure every child has an opportunity to succeed and to make sure that when a family or a business needs a little bit of help to get through a tough time, that help is there.



I'm running for governor because I want every Vermonter to achieve his or her full potential.



Leadership Leads to Action



For the past eight years, the Douglas-Dubie administration has been practicing a very laissez-faire approach to economic development, and they have only really gotten involved when there has been some sort of immediate crisis. They have sat back and watched while our infrastructure crumbled, our economy declined, and our jobs left the state. At the same time they have worked to dismantle state government which makes it even more difficult to recover from the problems caused by their policies.

In order to repair the damage that has been done and to rebuild our foundation, we must get back to basics. We must have a clear plan with priorities for investments and a timeline to get us back on track.

It will not happen overnight, but with a concentrated effort, we can strengthen our economy, create jobs, and see our communities prosper.

As governor, I will be directly involved in every phase of our economic development strategy. The first order of business will be to select the right Secretary of Commerce and Community Development so that there will be focus and strategic thinking in this position.

I will be very hands-on with both current and prospective employers ensuring that we do everything possible to retain the jobs we have and help create new jobs. This direct, continual, hands-on involvement will reinforce that every job is important.

I will build a team that is focused on economic development across all sectors of government and we will have a coordinated strategy that brings this focus to everyone's work.

The first thing I will do is a thorough review of all policies and programs in place, including a measure of each program's effectiveness.

Vermonters need to know that their tax dollars are being used effectively. Our resources are limited, and we may need to shift some funds from programs that do not see a significant return on our investment to programs that may have a greater return in terms of jobs created or other factors.

I will redesign the Governor's Council of Economic Advisors to ensure the active involvement of Vermont's various business sectors and labor leaders, as well as community organizations, in setting the direction for the future economic growth of the state.

This group will be charged with assisting in the development of a comprehensive strategy to grow Vermont's economy and to recommend specific actions that Vermont can undertake to grow and retain jobs.

In addition, I will reinstitute both the Agency of Commerce and Community Development Advisory Committee and the Jobs Cabinet. These two long-dormant groups can play a vital role in identifying and implementing programs and services to attract and retain businesses. I will ensure that all sectors of our economy are represented on these councils so that we recognize and capitalize on the diversity of our economy.

The key here is to tap into good ideas – no matter where they come from – and to make sure there are

points of entry for these good ideas to be heard within the administration.



Good Decisions Now Will Make Us Stronger in the Future



Sound economic development strategy with an eye toward the long term must begin with the situation that we're in, and the reality is we are still dealing with an economic downturn.

We are beginning to see some signs that the economy is rebounding, but we must make sound decisions now to ensure that we are strong and ready to take advantage of new opportunities when they arise. We cannot simply pretend that everything is fine.

As Vermont emerged from the last major downtown in the 1990s, Governors Snelling and Dean made an investment in our future by creating the rainy day fund. This fund is designed to set money aside when we have a budget surplus so that when we have a budget deficit we can get through it without causing too much harm to our economy and to our families. This fund contains tax dollars that Vermonters have already paid in good times, and we must use these funds now to get us through the deficits we now face.

We must get back to basics and expect a well-managed state government. We have cut many inefficiencies out of the budget in the last several years, and there are still more savings we can find. As governor, I will be aggressive in finding these savings first.

In addition to finding savings, we must take a hard look at our priorities and make sure that we are setting the priorities that will help us through the tough times and set us up to prosper as the economy rebounds.

We must make sure that we are taking care of our most vulnerable neighbors. This commitment is both a moral commitment and sound economic policy. When our neighbors in need – the elderly, the unemployed, children with disabilities – do not get the services they need from the state, the cost is transferred to our local communities and schools, and the result is a higher property tax, which hurts our economy.

It does not make sense to simply cut our way out of a bad economy. When the economy is down, that is exactly when families need a little more help to get by. We do not want to further degrade our middle class – we want to rebuild it so we can all prosper.

We must make sure that government is focused on its job – ensuring that all Vermonters have real opportunities to realize their full potential and that businesses are getting the help they need to succeed and to comply with our laws. Too many times, businesses that are trying to comply with our laws or are ready to grow hit roadblocks because they cannot find the answers they need or because they do not have access to the programs that could help them.

Vermont Has Many Local Economies



As governor, I will recognize and celebrate the fact that every part of Vermont has its own economy and that a one-size-fits-all approach does not work.

We must design programs and incentives that are flexible and can meet the different needs of our local communities.

I will encourage the good work being done in our communities by local regional development corporations and planning commissions. I will ask these organizations to meet with me to develop programs and incentives that can help them with the projects that they have already identified in their communities, to strengthen and grow their existing businesses and to attract new businesses.

I will also insist that my administration look for ways to highlight the successes happening in our local communities, to share best practices across the state, and to identify new opportunities for growth.

In order to do achieve these goals, we will change our approach.

My economic development team will include someone from each department in the administration – from agriculture to human services to labor to transportation – and I will insist on a comprehensive approach to economic development.

We will have focus areas, but we will look for where these areas overlap and build on each other, so that we can increase our capacity for success.

As part of this approach, I will commit to traveling every month to a different part of the state to have dinner with local economic development and business leaders. I will bring key people from my administration along so we can see what is happening on the ground, hear about what is needed, and develop ideas to solve problems that are there. We will share success stories within the administration and throughout the business community, so all can benefit from models that work. I will work with the local economic development corporations to plan these dinners and will host the meetings at local restaurants.



Our Quality of Life Is Our Strength



Vermont's competitive edge is our clean and green brand, and this has not occurred by accident.

Rather, committed leadership over the years has led to important policies that keep Vermont a healthy state with a clean environment.

Entrepreneurs locate their businesses here because of our quality of life. Vermont products gain a premium price by simply using the Vermont name. Tourists visit because, well, we are Vermont. We ignore our environment at our peril.

As such, we must focus efforts on maintaining and improving our quality of life in Vermont. These efforts are not only inherently valuable for Vermonters who enjoy our natural environment, they are imperative for our economic prosperity.

To maintain our clean and green brand, Vermont must do its part to reduce its carbon footprint, and at the same time, we can recognize this imperative as an opportunity for job creation.

I will lead Vermont in showing the nation a better way to reduce our impact on our climate. When I see other nations with strong economies that are using less energy per capita than the United States, I know that we can do it too.

I am proud that Vermont has led the way in many areas, from civil rights to environmental protection to children's services to marriage equality. We can lead the way in environmental quality and energy policy.

It is imperative that we keep our environment clean to keep our green brand, and my focus will be in two key areas: Smart Development and Water Quality.

I will start with a review of all state programs and policies to get maximum advantage from programs like Growth Centers and to have state policies across all agencies support the vision of vibrant downtowns and village centers.

The Growth Center legislation was highly innovative and offers the hope that growth in Vermont can be focused where it will have the least impact. At the same time, that program must be supported by initiatives in public transportation, support for agriculture, access to services, and prevention of storm water impacts.

As governor, I will ensure the long-term viability of the Current Use (or Use Value Appraisal) program, which achieves the dual goals of fair taxation for our working landscape and open space for all Vermonters to enjoy. I will also ensure appropriate support of the Vermont Housing and Conservation Board which works to maintain our open landscape and also to ensure affordable housing for Vermonters. As governor, I will work to make sure that valid concerns about our permit system are addressed.

Act 250 is a good law and has contributed greatly to our high quality of life here in Vermont. I will not compromise on our environmental values. However, our permit system can be confusing and time-consuming for some developers. There are legitimate issues with Agency of Natural Resources management and staffing that lead to confusion and unnecessary delays in permitting. Local permit issues also affect timely approval for projects.

As governor, I will separate technical assistance from enforcement in state government so that businesses can ask questions without fear of retribution when they are trying to solve a problem in good faith, and so that when they are not acting in good faith, they will be enforced upon.

I will designate "permit ombudsmen" who will be resources for businesses so that there is a single point of contact for all permits needed by a business. These ombudsmen will be regionally located and will work directly with our regional planning commissions and regional economic development corporations.

The ombudsmen will be available to all businesses – large or small – and will walk them through the entire permitting process from local permits to state and federal permits. I will also work with the Vermont Law School to develop an internship program in these offices so that additional help can be made available, and so that students will gain hands-on experience in our permitting process.

Vermont's lakes, ponds, rivers, and streams are some of Vermont's most prized natural assets.



Lake Champlain alone provides drinking water for more than 200,000 people annually, generates hundreds of millions of dollars in tourism revenue, and offers priceless recreation opportunities for Vermonters. But phosphorous pollution from sewage treatment plants, agricultural runoff, over development, and stormwater discharges are still contaminating this invaluable resource. Additionally, Vermont now deals with a number of invasive species that are harming our water quality.

In the area of water quality, there are three key areas we must focus on:

- a. Reducing pollution from all sources
- b. Enforcing our existing laws
- c. Helping communities and businesses to comply with our laws

Improving water quality requires reducing pollution from all sources. Every action that is required will have an economic impact. The role of the state is to work in partnership with our farms, businesses and communities to find fair solutions.

My administration will enforce our existing laws and regulations. For too long, the administration has been lax in enforcing our state laws. The state's role is to assist businesses and communities when needed to comply with the law and to enforce the law when these businesses or communities are not cooperative in compliance.

I will look for programs and practices across the state that are working to reduce water pollution and highlight and expand these programs into other geographic areas. I will also offer incentives to businesses and communities that develop new solutions to problems they have so that these solutions can be shared with others.



We Must Improve our Infrastructure

As a state, we must make sure that we can move people, products and information efficiently and effectively. This involves maintaining and improving our roads, bridges, rail, and telecommunications infrastructure so that we are ready for 21st century challenges and opportunities.

With federal funding, we are on a path to catch up on long-neglected roads and bridges.

This emphasis on maintaining our existing road network is long overdue and must be continued.



We must upgrade our rail system so that we can reduce the number of trucks on our roadways and provide more transportation options for both Vermonters and visitors. I would also ensure that federal money that has been set aside many years ago is finally used. As governor, I will also work to upgrade the western rail corridor from Bennington to Burlington.



We must broaden our transportation policies to include emphasis on decreasing our reliance on vehicles and increasing our opportunities for other mobility options, including public transportation,

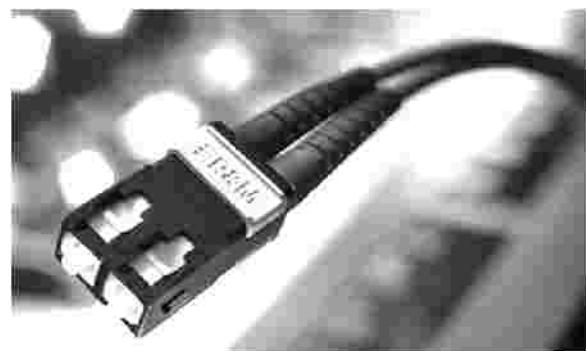
walking, and cycling. As governor, I will adopt a "complete streets" policy that requires communities to consider all of these options when developing or redeveloping an area.

These policies will be important not only to reduce our carbon footprint, but also to provide more non-driving options for an aging population to help maintain independence.

Better broadband and cell phone service are essential for our economic development. Our current networks are woefully inadequate. Not only are these services critical to businesses across the state, our tourists expect to be able to access the internet and to have cell service when they visit here.

We have begun this process, and recent federal funds will help, but we need leadership that will focus resources and attention to make sure the work happens. We must be realistic about it as well. We are a rural state and we must prioritize the best fiber optic service to our residential and commercial centers, and use a combination of technologies to get high-speed internet access to everyone.

As governor, I will be committed to making sure every Vermonter has access to these services.





Our Education System Is Our Foundation —



Education can and should be exciting for every Vermont child and should offer Vermont families the support and encouragement they need to help their children succeed in school.

We must provide a quality education not only so that every child can achieve his or her full potential but also so that Vermont businesses can find the employees they need.

In addition to our K-12 public education system, we must ensure that every Vermont child gets off to a good start with a quality pre-K education – either at home or through an early education provider.

We must also ensure that Vermonters have access to higher education and other continuing education opportunities so that they can further their careers throughout their lifetimes.

My administration will re-establish a cooperative relationship between state government and our local school boards, educators, administrators, and families. This relationship will be marked by partnership, respect, and a willingness to share ideas.

I will challenge educators, school boards, and superintendents to work together with me to bring down costs, raise graduation rates, address special education needs, and consolidate and cut where it is appropriate.

As governor, I will concentrate efforts in three key areas:

1. Early childhood education
2. K-12 education
3. Continuing and higher education

Getting every Vermont child off to a good start is essential – not only to ensure that every Vermonter achieves his or her full potential, but also to focus our efforts on prevention and reduce costs over time.

Many of our families have economic and other stresses that make it difficult for them to provide their young children with the support and education they need to be ready to learn when they reach kindergarten. We know that when a child starts school behind, it is difficult for him or her to ever catch up.

The gap only widens, and many preventable problems become crises as the child gets older. When we offer the support and programs that children need, then every child has a real chance to succeed. Problems are reduced and children come to school ready to learn.



I will institute a partnership between the Agency of Human Services and the Department of Education to work with communities and schools to develop plans to close the achievement gap and make sure that all children in the community – regardless of economic status – have opportunities to succeed.

It is critical that we increase our graduation rates. We can do this by building on the educational transformation work that is already being done in the Department of Education. This focus on a needed skill set and a flexible approach for students to acquire the skills they need for the 21st century will help both students and employers.

I will work with high schools to provide more choices to our students – whether they want to go to college, get specialized training, or go straight to work from high school.

As governor, I will challenge schools to create meaningful experiences for our young people, including special learning opportunities in the community and service projects. I will also challenge our state colleges to provide more opportunities for high school students who want to expand beyond what their schools can offer.

Beyond our public education system, we must find ways to offer more higher and continuing education opportunities to Vermonters. We need systemic reform in our higher education system to bend the cost curve for families who want to send their children to college. As governor, I will work to strengthen our Community College system, so there are choices for students beyond a traditional degree program.

My administration will work closely with regional economic development corporations to identify workforce training needs and find creative ways to provide those training opportunities, so that our businesses can hire locally and Vermonters have opportunities to develop new skills and further their careers. In addition, I will work with service providers to make sure that people with special needs or circumstances are getting the support they need to be successful.



We Must Focus on Our Strengths



To build our economy, we must focus on our strengths.

As governor, I would focus particular economic development efforts on four key areas:

1. High Tech
2. Conservation and Renewable Energy
3. Travel and Tourism
4. Agriculture and Forestry

In the high tech sector, the primary needs are access to capital, better coordination of initiatives, workforce training and development, and broadband and cell service.

As outlined in the infrastructure section, I will focus time and resources on these efforts. Further, I will work with the Tech sector to identify other needs and to create High Tech Incubator Centers throughout the state.

As governor, I will work to find additional resources to expand the work of Efficiency Vermont because this investment will pay off in cost savings for Vermont families and businesses, decreased energy usage, and new jobs created in this sector.

My administration will start this effort in our state-owned buildings – we will tighten up our buildings and encourage conservation and efficiency throughout state government. We will set an example that we will expect all Vermonters to follow.

Further, I will explore the idea of a state property tax credit on any new construction that is LEED certified, or any existing building that is retrofitted to conform to LEED standards. I will have my tax department work to propose a tiered system of tax credits to encourage the highest level of energy and environmental sustainability in our buildings.

Our Travel and Tourism sector is strong but could be even stronger if the state took a comprehensive approach to economic development.

First, I will work with our leaders in this industry to make Vermont a year-round destination (even more than it already is), and to highlight the four seasons in Vermont.

Next, I will insist on data to measure the effectiveness of our various promotions and shift funds to the most effective strategies. I will also work across sectors to highlight the strengths mentioned above – agriculture and forestry.



Many tourists come to Vermont to see our working landscape, and as governor, I will find ways to highlight our farms, forests, and local products for our visitors. Just as we are working to have the entire state networked with pedestrian and bicycle paths, I will work to create a local foods trail throughout the state of Vermont. I will work with ski areas association to build on their past proposal to get to 5 million skier visits per year.

In the areas of agriculture and forestry, I will begin by including these sectors in our economic development plan. The Farm to Plate initiative as well as the Harvest for Use initiative and the Vermont Biofuels initiative, all are a good start for getting these sectors growing again.

Further, my administration will conduct a thorough review of the policies in place on local direct food sales as well as wood products sales. Most of these laws have been written for large scale production and non-direct sale, and with some changes, we could open up the markets for our local producers and offer more access to local food for Vermonters and visitors.

Further, I will set an example in this area as well by working to use local products in all state buildings as much as possible. Local procurement will be a priority.



Small Businesses Are the Backbone

For far too many years our economic development focus has only been on larger businesses. Many of our incentive and technical assistance programs are geared toward the needs of larger businesses.

We must broaden our focus to ensure that our small businesses are getting what they need from the state. The vast majority of job growth comes from small businesses and start-up ventures, and my administration will foster this growth by focusing attention and resources on this important sector of our economy.

As governor I will work to promote employee ownership of businesses when the current owners and the employees are interested. Employee ownership provides many benefits and can offer an alternative to closing a business when the original owner is ready to move on. Employee owned businesses stay in Vermont.

I will also work to improve small businesses' access to capital – both start up and development capital. Many small businesses that do not have equipment, buildings, or other assets have a difficult time getting capital at critical points in their growth. My administration will work to develop a revolving loan fund, and to encourage community-supported-business models.

Perhaps most importantly, I will insist on a customer-service attitude in my administration. When businesses are trying to comply with our laws, they should have the help they need to do so.