

POSITION STATEMENT ON PROMOTING TECHNOLOGY

GBIC and the Lake Champlain Regional Chamber of Commerce support efforts to ensure that Vermont is a state where all businesses can remain economically competitive and all residents can participate in an era of E-commerce and technology. For Vermont to be competitive in the global economy, it must create, attract, promote, and retain industries that embrace technology.

The deliberate support and use of technology by state government will permit Vermont to position itself globally as a destination that offers a high quality of life, cutting-edge infrastructure, and a supportive business and regulatory environment. The state should encourage increased use of technology by businesses, government and individuals consistent with free enterprise and foster the environment for healthy competition.

Vermont must provide as much support as possible for technology-based economic development (TBED). According to the State Science and Technology Institute, technology-based economic development is the approach used to create a climate for firms that “constantly innovate and maximize the use of technology in the workplace” throughout their business stages¹. TBED supports higher wages and benefits for employees, net economic contributions to the state, and a light footprint on our environment. Vermont is not alone in wanting to attract high technology companies and must effectively compete with other states for these desirable businesses.

Technology has universal applications. A statewide electronic medical record system is an example of a beneficial use of technology. The availability of medical records and history for patients in Vermont hospitals and clinics increases efficiency within the medical field as well as patient safety. Electronic medical records can be linked throughout the United States and, indeed, throughout the world.

The following are five areas on which attention should be focused:

REGULATORY ENVIRONMENT

Vermont’s technology-based economic development must be consistent with our image and values. We support policy and legislation that specifically fosters technology-based economic development in Vermont. When considering policies and legislation relating to E-commerce and technology, we encourage the Administration and Vermont Legislature to be guided by the following principles:

- Introduce supportive laws and regulations that nurture the growth of diverse technologies in Vermont’s digital economy.
- Vermont is part of a global economy. The state should refrain from legislation that regulates E-commerce and technology in ways that restricts positive growth. Some regulatory issues concerning technology are best addressed at the federal government level. These include bills dealing with very complex issues, such as regulation of unsolicited or unwanted e-mail and development of a comprehensive computer information licensing law.
- Encourage ~~the state~~the state to recognize and support the emerging technology-based business segments within Vermont. Just as Vermont has a brand image promoting specialty foods it should also support a Vermont technology “brand” leveraging its wealth of high-quality technology-based businesses.

¹ State Science and Technology Institute (2006). Online at: <http://www.ssti.org/TBED/intro.htm>

ECONOMIC ENVIRONMENT

Vermont should be proactive in providing affordable resources and infrastructure for its residents and businesses to compete and thrive in the global market economy. Supporting technological growth in today's E-centric world is essential for the future of our State's development and will ensure our continued prosperity. This can be achieved by providing more support for high-tech startup companies, support for the nascent incubator programs throughout the state, and financial support for Vermont businesses through programs like the Vermont Employment Growth Incentive (VEGI). Guiding principles include:

- Promote and provide statewide support for business incubator projects as a state priority. Economic support for incubator programs will enable Vermont to better compete with other markets for high-paying, environmentally friendly, tech-based businesses. In his *Strategic Vision and Business Plan for Job Creation and Economic Advancement*, Governor Douglas says that the state “will support the development of a full range of incubator facilities from early initial concept to production and graduation².” The Vermont Center for Emerging Technology (VCET) at the University of Vermont is an example of the type of incubator that warrants state support.
- The state should also reevaluate taxes imposed on telecommunications services and service providers. In the 2003 legislative session, a tax on telecommunications services first levied under Act 60 in 1997 was increased to 6%. This tax is counter-strategic to the state’s efforts to promote job growth and spread telecommunications throughout our communities. Vermont should seriously consider providing tax incentives for telecommunications infrastructure. If such taxes are retained, the State should dedicate this revenue to advancing the telecommunications infrastructure.

HUMAN RESOURCE ENVIRONMENT

Vermont must continue and expand the pursuit of a technically knowledgeable, highly skilled workforce that provides expertise and to drive a knowledge-based economy. The following principles can pave the way for a better human resource environment:

- Encourage collaboration between public, private and nonprofit educational institutions to develop a coordinated education strategy for TBED in Vermont. Emphasize critical components such as math and science curriculum and computer training for youth and a tech-based business network that provides access to capital, services and collaboration. Programs such as the Governor’s Information Technology Training Initiative, a great example of public and private collaboration should be sustained and expanded.
- Provide funding and support for technical education. Tech-Ed. provides opportunities to Vermont residents for growth and seamless access to post-secondary education. It also increases the supply of technically trained workers to industry and local governments. Increased support for technical centers and increased awareness of the benefits of technical education will help to provide more students with -the math, science and technology skills needed to succeed in today’s workforce environment.
- Bring computer knowledge and skills to every community and business in Vermont.
- Continue to advance the use of technology in state government. The Department of Information and Innovation should ensure that state and local government work together to establish a common Internet portal for provision of e-government services and information.

² State of Vermont (2004). *Strategic Vision and Business Plan for Job Creation and Economic Advancement*. Online at: <http://www.thinkvermont.com/publications/pdf/DouglasJobPlan2004.pdf>. Quote from p. 14.

PHYSICAL ENVIRONMENT

Vermont should complete and maintain a technology-based infrastructure. We encourage policies that maintain and enhance an affordable high technology backbone, including wireless communications and high speed Internet/broadband access. Additional principles include:

- Encourage providers of the - technological infrastructure- to work within the - values of free market competition to eliminate duplication of physical build-out needs (i.e. poles, towers, etc.). We encourage the State and municipalities to support these efforts by streamlining permit processes and providing incentives for collaborative efforts.
- Support policies that provide affordable resources and infrastructure for high technology companies, including policies and regulation that are responsive to and enable high technology companies to plan for growth and affordable and competitive services.
- Accelerate infrastructure deployment to ensure that all Vermonters have access to a reliable, cost effective, high-speed telecommunications infrastructure. Wireless technologies offer a cost-effective and easily implemented means for providing access to remote areas. Measures to accelerate these initiatives should be taken. Vermont also needs to modify existing state and local land use regulation to support the enhancement of telecommunications networks when such facilities do not have significant adverse environmental, health or aesthetic impacts.
- Encourage Municipalities to update local zoning regulations to accommodate telecommunications facilities consistent with the U.S. Telecommunications Act of 1996.

GOVERNMENT USE OF TECHNOLOGY

GBIC and the Lake Champlain Regional Chamber of Commerce support those recommendations provided by the Vermont Institute on Government Effectiveness, Inc. in its September 2005 report. The recommendations concerning “Information Technology Reorganization” and “E-Government via Web Portal Partnership”³ will be especially beneficial in enhancing the efficiency of Vermont government and its provision of services to its citizens. The state should also take - steps to ensure that the Chief Information Officer and the Department of Information and Innovation have the resources, support and means to make appropriate changes and advancements in technology at the state level.

The Vermont Technology Council’s State Technology Plan is also a vital part of promoting increased efficiency in state government. This plan highlights numerous ways that the state can advance technology-led economic development.

NOTE: The Chamber and GBIC have position statements on related subjects, including economic development, workforce development and tax and fiscal policy.

Approved by the Chamber and GBIC Board of Directors on October 26th, 2006.

³ Vermont Institute on Government Effectiveness (2005). *Final Report*. Online at:
<http://www.vermontinstitute.org/filemanager/filedownload/phpNUP9dR/VIGE%20Final%20Report.pdf>