

The Employer as the Client

State-Financed
Customized Training
2006

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Executive Summary

STATE-FUNDED customized training programs are clear examples of employer-focused public training systems. The programs have disparate origins, administrative arrangements, budgets, sources of money, and program rules. But each one views training from the perspective of an employer and sees training as an economic development enterprise. Like other economic development efforts, the ultimate value of these programs is their contribution to the well-being of people. However, the consistent focus of the state customized training programs on the employer has broad implications for program operations and program results.

In 2006 about 1 million people were trained annually at a cost of \$571 million, down from a peak of \$721 million in 2000 in 47 state programs. In many states, the programs were sizable. For comparison, total national state customized training budgets equaled 19 percent of the federal Workforce Investment Act (WIA) allocations to states. However, in three states, the state programs budgets actually exceeded WIA funding, and in 15 more states, state spending equaled 30 percent or more of WIA allocations.

Historically, customized training spending tracked with state general fund spending, rising slowly in the early 1990s and then quickly until 2000, when general fund spending leveled off and training spending fell sharply. Training funding fell in 2004, then rose slightly in 2005, and held steady in 2006. From the early 1990's to the early 2000s, the regional distribution of training shifted markedly away from the Far West and Great Lakes and toward the Southeast and Plains.

THE TOP 10 STATES in total spending in fiscal year 2006 were Iowa (\$62,295,287); California (\$52,182,000); Louisiana (\$44,137,783); Missouri (\$31,300,000); Pennsylvania (\$30,000,000); New Jersey (\$28,700,000); Mississippi (\$27,853,750); Georgia (\$22,350,753); Massachusetts (\$21,000,000); and Texas (\$20,000,000). Together these states spend \$340 million, representing 60 percent of national budgets. Iowa also leads the nation in per capita spending (\$42.48). However, the rest of the top 10 per capita list is different. Mississippi is number 2 at \$24.64, followed by Louisiana (\$23.01), Alaska (\$19.32), Rhode Island (\$16.93); Kansas (\$13.14); New Mexico (\$12.43), Missouri (\$11.60), Nebraska (\$9.54), and Wyoming (\$9.04).

Characteristics shared by most programs include a focus on training in manufacturing and other "traded sectors," high degree of program flexibility, little trainee targeting, and few limits on types of training and training delivery methods. No state pays the full cost of training and the average reimbursement is only \$525 per person trained. Most programs are administered at the state level. There appears to be a trend toward administration by workforce development agencies and away from state education agencies. Most state funding comes from UI off-set taxes and general fund money. More than half of all states fund consortia training as well as training for individual employers. Nearly 60 percent of state money goes for incumbent worker training; the rest for new hire or economic development projects.

About a third of states have high links with economic development and a third have high links with community colleges. Links with the WIA system are cordial, but not close. Even in most of the states where the same agency administers WIA and state-funded customized training, the programs are administered separately.

Program evaluation is almost non-existent in most states. A simple assessment of projects based on employment rates and wage changes using data in the unemployment insurance tax system could be profitably and easily implemented. Once comparable data is available on state training programs,

including customized training programs, Workforce Investment Boards and vocational programs could bid for work and funding based on their records.

Scope and Methods

THIS REPORT is an analysis of *state-financed*, customized training programs. The universe of activities studied is limited to those financed by state governments, not federal or local governments. Federally funded training activities are well-documented and are outside the scope of this project. Some locally-funded activities have been identified but their size and scope are limited and, likewise, are outside the scope of the project.

Our scope is further limited to *customized* training programs. Customized means tailored and directed to one or more identified employers. Customization can be applied to content, schedule of training, location of training, and/or method of training delivery. In some cases curriculum is developed specially for an employer or group of employers. In other cases, existing curriculum is repackaged to meet employer demands. And, in some cases, standard curriculum is delivered in a non-standard location and time. Curriculum is usually delivered away from an educational institution, often at an employer worksite. Training is usually scheduled at a time convenient to new or existing employees including those working different shifts, rather than on a standard academic schedule.

Although lines of demarcation are not always clear, customized training can be differentiated from vocational education. For customized training the client is the employer; the training is directed to specific employers; and the focus of the program is on meeting employer needs. Employee/worker/student needs are met too—by first meeting the needs of the employer. Vocational education, on the other hand, is more focused on the employee/worker/student and on preparing individuals to seek work in an occupational field, not with a specified employer. The difference is the closeness to the employer and the specificity of the training.

This report is the fifth study of state financed customized training programs which the authors have conducted or in which they participated:

- The first study, “State-Financed Customized Training Programs: a Comparative State Survey,” was prepared for the Office of Technology Assessment of the U.S. Congress by the Center for Governmental Studies at Northern Illinois University. Duscha was a co-author with Peter A. Creticos and Robert G. Sheets. Budget and other data was collected for fiscal 1989 and each state program was described.
- In 1993 Duscha and Graves privately conducted and distributed a survey of customized training budgets in fiscal years 1990, 1991, 1992 and 1993.
- In 1995 the authors privately conducted and distributed a report that included budget data for 1994 and 1995 and a description and analysis of the state programs. The report was titled “National Customized Training Report: State Funded, Company Directed Job Training in the United States.”
- In 1999 the authors prepared a report for the U.S. Department of Labor, Office of Policy and Research, titled “State Financed and Customized Training Programs” that included financial data for 1996, 1997, 1998 and 1999 and included program descriptions and analysis.

The current report adds financial data for the years from 1999 to 2006 and uses the entire body of data to analyze trends from 1989 to the present. The authors analyzed data collected in the series of studies

listed above for the years from 1989 to 2006. (In this report, unless otherwise noted, a year refers to a fiscal year, which in most states runs from July 1 to June 30. The year indicated is from the ending date of the fiscal year.)

TO IDENTIFY the universe of programs, we searched Web sites for programs identified in previous studies. We conducted web searches for other programs identified as customized training in each state, and we asked program operators in interviews for referrals to other programs. We collected available data on each program identified from web sites and in a few cases from other published material. We collected descriptive material, lists of projects, press releases, statutes and regulations. We searched state budget documents for financial information. We also attended the annual meeting of the National Association of Industry-Specific Training Directors in September 2005, which included representatives from about half the states with customized training programs.

Finally, we conducted interviews with a state representative for each program. We spoke to the chief administrator for each program or a representative to whom we were referred. We validated information we collected from public sources to answer questions such as:

- How does the state describe its program? What are the key elements of the program? What companies are targeted for training by industry, size, or location?
- What trainees are targeted for training? By income? Minimum wage? Occupation?
- Who can provide training? Are there limits or is it up to the employer or group of employers? Do community colleges or other public schools have any advantage over other providers? Can private vendors provide training?
- Does the state fund training only for single employers or also for groups, or consortia of employers? Are there special rules or limits on consortia projects? How are consortia defined and selected?
- What is the content of training that is typically provided? Are there limits or exclusions?
- How has the program changed since 1999?
- Can you provide an example of a project that demonstrates the program at its best?
- Looking at other states and their programs, what distinguishes your state program from the others?
- We are identifying a list of “best practices” to highlight. What would you say are the one or two elements of your program that are most responsible for your success?

In addition, during the interviews we collected data for the state summary charts. Not all states were able or chose to answer all questions.

THIS REPORT uses three general measurement tools to analyze data:

Real state spending adjusted to 2006 dollars using the GDP deflator from the President’s 2006 budget. Nominal budget totals also are included in the statistical appendix.

Per capita real state spending is a measure of state spending relative to the size of the state labor force. Real training budgets are divided by annual estimates from the Bureau of Labor Statistics for total non-farm employment by state published on-line in January 2006.

Five-year average spending and per capita spending are measures of state effort over time. For reasons explained below, annual budgets are subject to considerable volatility. To more accurately analyze trends, spending (both in real dollars and per capita) is averaged over three five-year periods and

these periods are compared: 1991-1995, the early 1990s; 1996-2000, the late 1990s; and 2001-2005, the early 2000s.

The objective of this study is to compare and contrast states, not substate programs. Therefore, the unit of analysis for the data is the state, not the individual program. The analysis is straightforward in 28 states that operate through a single program. In most of the 19 states with multiple programs, the programs are jointly operated by a single state administrative office. In the states with multiple programs operated by separate offices, we conducted separate interviews and analyses of data for each program and then described each program. In these multiple program states we aggregated data on spending and numbers trained and listed separate data elsewhere. On the linkage questions, we interviewed each program operator and then averaged the results.

This study also includes a case study of the California customized training program, the Employment Training Panel to illustrate a program from the perspective of an employer.

The Employer as the Client

48 Years of Customized Training

HISTORY AND BACKGROUND

STATE-FUNDED customized training programs are clear examples of an employer-focused public training system. The programs have disparate origins, administrative arrangements, budgets, sources of money, and program rules. But each one views training from the perspective of an employer and sees training as an economic development enterprise. Like other economic development efforts, the ultimate value of these programs is their contribution to the well-being of people. However, the consistent focus of the state customized training programs on the employer has broad implications for program operations and program results.

These programs pre-date the federal focus on employer-based, or demand-driven, training systems. The state programs started in the Southeast in 1958 in North Carolina. Other southern states followed: South Carolina (1961); Virginia (1965); Georgia (1967); Florida (1968); and Arkansas (1969). By 1973 customized training programs were operating in every Southeastern state (except Mississippi) plus three Southwestern states (Oklahoma, Texas, and New Mexico) and Kansas. Northern states also felt the loss of jobs and by the early 1980s every Great Lakes state added its own customized training program to counter or beat the competition in the South.

These early programs were competitive, economic development incentives. The first model, developed in the Southeast, was for the state to offer free, customized training to northern manufacturers as an inducement to relocate to the agrarian south. The idea was that economic benefits would flow to the business; the state economy would expand; and individuals would have a chance at better jobs. To the employer, the benefit was lower costs to train a new workforce and a subsidy to move to a new location.

The programs added in the Great Lakes states were similar in purpose to the Southeast programs but used a different delivery method. Instead of providing training services through new community or technical colleges like the Southeast, the Great Lakes states provided cash to companies to use for training. Companies could contract with a community or technical college for training or opt to provide the training with their own employee/trainers.

Many programs today maintain a strong economic development focus, especially in the Southeast. As state economies have evolved, the most aggressive economic development competitors shifted from the Carolinas and Georgia to Mississippi and Alabama. The focus of recruitment for new jobs shifted from the Great Lakes to overseas, with foreign auto plants becoming the biggest prize. Other regions also use training money to compete for big new employers. For example, California committed \$10 million in training money in 2005 to win the operations base and headquarters for a new airline.

Training money is often part of larger packages of economic development incentives, and states vary by the types of incentives they prefer. Some states (Alabama and Mississippi, for example) tend to emphasize training as an incentive more than others. In California, training is the only cash incentive the state has to offer. Other states offer cash and tax credits tied to capital investments or job creation. These varying economic development strategies mean that an analysis of training incentives alone gives only a partial picture of state economic development activities.

From the perspective of an employer making a decision about where to locate new jobs, a customized training offer is primarily a way to off-set costs. A secondary function is to signal to the employer that the state welcomes its business. Nationally there is dispute over the effectiveness of such subsidies, with disdain among researchers and economists for zero-sum bidding wars for jobs. There is also skepticism over how often incentives actually tip the balance in decision-making compared with factors such as location of markets and suppliers, availability of skilled workers, and even where company executives want to live.

From a state perspective the economic development arguments are more positive. Attracting new jobs with multi-million dollar payrolls to your state is an obvious political win whether or not it takes jobs away from a neighboring state as long as the costs are not too high and jobs are created. The competition may not make sense at the national level, but at the state level in a competitive economy when jobs are scarce and some states offer incentives, any state not offering incentives is at a disadvantage. Tying location subsidies to training is attractive for two reasons. First, training expenses can only be incurred once new workers are hired at the new plant so it is less likely that public money will be spent but no jobs created. Second, even if the jobs are short-lived, the public money taught workers new skills that may be valuable in subsequent employment. Contrast the benefits of training subsidies with the potential pitfalls of subsidies for infrastructure or capital construction which can be incurred long before jobs are created.

BY THE 1970s most states had broadened their programs to include subsidies to help home-grown companies expand within the state. Local businesses complained that it was unjust to use their tax revenues to subsidize the relocation of out-of-state firms and potential competitors. The solution was to redefine economic development to include expansion projects for existing firms.

By 1983, 27 states funded customized training programs, including 11 of 12 Southeast states, 4 of 5 Great Lakes states, 4 of 5 Middle Atlantic states, and 3 of 4 Southwest states. From 1983 to 1993 program growth was concentrated in the Far West (5 of 6 states added programs) and in the Plains (6 of 7 states added programs).

By this time incumbent worker training also began to be introduced to the state programs to meet more objections about fairness and to meet a genuine employer demand. The nation's economic competitiveness was perceived to be precarious and jobs and companies were threatened by technology as well as overseas competition. Worried employers wanted their share of job training subsidies so they could prosper and keep their employees working. They also wanted to invest training money (their own and the available state money) in long-time workers, not just new employees. Incumbent workers need training to keep up with technology and competition as much or more than new workers. Besides, employers are now more willing to train workers with tenure and experience than new workers the employers don't know.

In 1983 Iowa and California introduced two financing systems that now account for half of all customized training spending.

California introduced the unemployment insurance (UI) off-set tax as a funding mechanism, a system now used in 13 states to generate 39 percent of all state funding for customized training. The tax is a method of transferring excess funds from state unemployment insurance taxes to training. Federal law prohibits direct expenditures, so states lower their unemployment insurance taxes and impose a new tax for training equal to the reduction in the UI tax. Employers feel no change in their taxes even though, in fact, a new tax for a new purpose has been imposed. Because state UI trust funds are so large, a small shift from those large funds to training can amount to a large training budget. The off-set taxes also are attractive because they are paid by the same employers who benefit from the training, tightening the nexus between training and employment. The taxes also promise to use training to reduce UI costs by preventing future unemployment claims.

Iowa's innovation has been a bond program that links taxes generated from new jobs to the cost of training for those jobs. Iowa's community colleges sell bonds to pay for economic development training projects. The bond money then pays the employer's costs to train new employees. The bonds are repaid by diverting a portion of the payroll taxes generated by those new employees. The system is now used in 4 states and accounts for 15 percent of all state spending.

The primary financial innovation since 1983 is the introduction of tax credits for training in six states. Georgia and Rhode Island have the biggest tax credit programs. The credits require training plans and certifications from the customized training agency in each state before they can be used.

Between 1983 and 1989, customized training expanded into the Far West (5 of 6 states added programs) and in the Plains (6 of 7 states). In 2006 every state except Connecticut, New Hampshire and Oregon funded customized training, and officials in those states without programs indicated interest in beginning or reviving them.

PROGRAM SIZE AND STRUCTURE IN 2006

IN 2006 PROGRAMS trained about 1 million people a year at a cost of \$571 million. In many states the programs were sizable. For comparison, total state customized training budgets equaled 19 percent of the federal Workforce Investment Act (WIA) allocations to states. However, in three states (Iowa, Rhode Island, and Nebraska), the state programs budgets exceeded WIA funding. In 15 more states (Alaska, Georgia, Idaho, Kansas, Louisiana, Massachusetts, Mississippi, Missouri, New Jersey, New Mexico, North Dakota, South Dakota, Tennessee, Vermont, and Wyoming), state spending equaled 30 percent or more of WIA allocations. All states except Connecticut, New Hampshire, and Oregon operated programs in 2006.

This report describes the programs in 2006, both their individual approaches and rules and the general attributes they share. The overriding impression of the programs is their employer focus. For example, as part of this study, we asked states to identify the client or customer of its programs. Every state said the client is business. (Minnesota and Washington added colleges as a secondary client; Maine, Kansas, Alabama, California, Hawaii, and Alaska also listed individuals alongside business).

In addition to their employer focus, the programs have many common features:

- They focus on training for manufacturers and other businesses in “traded sectors,” which are non-retail service businesses that sell outside state boundaries or compete with out-of-state firms. When the programs were created in the Southeast, they were limited to factory work, but as national employment shifted away from manufacturing, the states broadened their targets as well. Some variability remains. For example, some states fund health care training; some do not. New Jersey and Nebraska fund retail training. Some states publish lists of “targeted” industries, but the lists usually are broad enough to include most traded sectors.
- Most are truly flexible. A few states with small budgets are narrowly structured. However, most states have rules on funding amounts, types of training, administrative arrangements and other factors that can and will be adjusted for special projects. For example, states with rules setting caps on spending often will increase those caps for a special project. States that accept proposals on a fixed schedule often have money available at other times. States are proud of their flexibility and use it.
- Compared to federal workforce programs, the state programs have little or no trainee targeting. The programs view selection of people to hire and train as the right and responsibility of the employer, not the state. The programs are not organized as training for the poor or

disadvantaged, although they train many thousands of poor and disadvantaged people as part of hiring pools and groups of incumbent workers.

The only form of targeting commonly practiced is a general preference to train “middle level” workers, mainly excluding the lowest and highest paid. Every state will train people at the level of production worker and first line supervisor. Some states limit training for managers and administrative personnel. People trained must earn more than the minimum wage, with floors often set between 150 percent and 200 percent of the minimum wage.

- States have few limits on types of training subsidized. Training typically includes equipment operation, computers in the office and the factory, customer service, supervision, communications, quality initiatives, teamwork, basic math and a host of other topics. States sometimes provide advice, but usually defer to employers about what needs to be taught. Most states refuse to fund annual safety training and other training that is required by law. States are split on whether to fund basic literacy skills and English as a second language.
- States have few limits on how training is delivered. All states support instructor-led classroom training and 38 of the 47 states with programs also pay for on-the-job training. Nearly all states will support computer-based training, but few currently have requests for it.
- Despite claims to provide “free” training, no state pays the full cost of training—even those states that do not require an explicit employer “match.” Employers nearly always incur costs for supervision and coordination of training, plus costs of trainee salaries. It is a rare program that pays more than half an employer’s actual training costs and today most pay less. Nationally, average reimbursement is \$525 per person trained.
- In most states the programs are state programs, not local programs. Unlike federal workforce programs and state educational systems which have strong local roles, there is a substate role in only 12 of the 47 states with customized training. The rest of the states are centrally administered, with all funding decisions and administrative activities carried out at the state level.
- Like most government activities, there are few formal evaluations of customized training. Program operators say they know their programs work because their employer-customers give them good ratings. We asked every state for program evaluations and found them almost entirely lacking. Many states responded that they conducted project monitoring activities to ensure compliance with program plans and contracts. Many filed annual activity reports with state legislators. None reported an ongoing system for evaluating and reporting data on program effectiveness. Some had measures of employer satisfaction. Alaska, California, Washington, and Wyoming have conducted comparisons of employment and salaries of persons trained before and after training, using data from their unemployment tax systems. All reported significant increases in earnings following training. But not even these states maintained a continuous evaluation system using this or any other data.
- The programs have been relatively scandal-free. Paying state money to private employers through systems designed for flexibility provides opportunities for abuse and some lax administrative standards have been publicized. However, major scandals have not been common.

SERVICE PROVIDER AND CONTRACTING STATES

ONE OF THE divisions between programs is whether they contract with employers (and sometimes consortia sponsors) who in turn decide how to conduct their training or whether the program operators provide direct training services to employers through community or technical colleges. Some states provide training both ways.

The service provider states are Alabama, Minnesota, North Carolina, Oklahoma, South Carolina, Utah, and Washington. Kansas, Maine, Mississippi, and Virginia offer both services and a contracting system. Georgia offers training subsidies via direct services from its college system or through tax credits that permit employers to provide their own training or hire their own training provider. Kansas, which is reorganizing its technical college system, is moving from a contracting system to a combination system in which colleges will offer direct services as well as contracts to employers.

The remaining 35 states operate contracting programs, negotiating agreements with employers, schools, employer associations and other entities for specific training projects. Although some of these programs provide advice on how to set up and structure training programs, most are strictly funding agencies, providing financial subsidies for training.

FUNDING MECHANISMS

STATES ALSO differ in how they fund programs. State general funds and special UI off-set taxes provide six out of every ten dollars for state customized training programs. In 2006 general fund spending was \$238.7 million, 42 percent of the total. Thirty-three states used general fund money to support their programs.

The UI off-set tax was first used in California in 1983 and is now used by 13 states (Alaska, Arizona, California, Delaware, Hawaii, Idaho, Indiana, Louisiana, Massachusetts, Mississippi, New Jersey, Rhode Island, and South Dakota).

| Table 1: Source of Training Funds 2006 | | |
|--|---------------|------|
| General Fund | \$238,726,331 | 42% |
| UI Off-Set Tax | \$217,006,833 | 38% |
| Bonds | \$99,083,762 | 17% |
| Tax Credits | \$13,700,000 | 2% |
| Lottery | \$2,787,214 | 0% |
| Total | \$571,304,140 | 100% |

In states that use it, the UI off-set tax helps link customized training to the employers who directly finance the programs with their tax payments. (In Alaska, the only state with an off-set tax where employees pay both UI and training levies, the program operators list “individuals” as well as business as their customer.) Although the UI off-set taxes were created and reserved for training, states can appropriate them for any purpose, and funds have been diverted for non-training purposes in recent years in Arizona, California, and Hawaii. In California more than half the tax funds have been diverted to local welfare departments to save general fund money.

BOND FUNDING, which accounts for 17 percent of national spending, is another method of linking funding to the employers who benefit from training. The bond concept is analogous to tax increment financing commonly used by governments for redevelopment and other projects. Governments borrow money for a public purpose (attracting new jobs) and the borrowing is repaid by new taxes generated by the new jobs. Bonding was first used in Iowa and is now also used in Kansas, Missouri, and North Dakota. Bonds are sold by the state or a community college, sometimes for a single employer's training and sometimes for a group of employers. Bond proceeds are paid to the employer for training and a fixed portion of the withholding taxes paid by the new employees hired and trained is used to retire the principle and interest on the bonds. Administrative and legal costs are high, but the system is an attractive method of financing large economic development projects because it directly links state spending to the increased tax revenues generated by each project.

Georgia and Rhode Island have large retraining tax credits. To claim a credit, employers must file training plans with the state customized training office and gain approval for them. Employers are then authorized to deduct costs of that training from their state taxes over a multiple year period. Kentucky allocates \$2.5 million a year to tax credits certified by the Bluegrass State Skills Corporation. South Carolina has a retraining tax credit to off-set incumbent worker training costs charged by technical colleges. North Carolina and Vermont permit employers to take tax credits to off-set some of their costs for employee wages and other matching costs associated with training projects.

All fiscal information included in this report is from state, not federal, revenue sources, and it was outside the scope of this project to tally expenditures of federal money or report on the uses of federal money. However, the authors noted that in a number of states, federal Workforce Investment Act (WIA) money was either: (1) combined with state customized training funds, or (2) used for the same purposes as state customized training funds. For example, Illinois has used WIA funds to supplement state funds in its program. Florida, Oregon, and New York (which have no state allocations for incumbent worker training) all use WIA funds for incumbent worker training programs administered at the state level. The convergence of WIA-funded programs with state-funded programs should be a subject for systematic future study.

TRAINING FOR NEW EMPLOYEES AND INCUMBENT WORKERS

IN 2006 42 percent of training funds were used for new hire training and the remaining 58 percent for incumbent worker training. Thirty-seven states funded both new and incumbent employees; six states funded new employees only; and 4 states fund incumbent workers only.

Data on spending by incumbent worker vs. new employee is available for selected years and is shown in Table 2. The percentage of national funding devoted to incumbent worker training rose from 51 percent to 58 percent between 1989 and 1995 and since then has been virtually unchanged.

Inconsistent definitions probably result in under reporting of new hire or economic development spending by the states. California and other states include any employee—even a newly hired one—as an incumbent worker. On the other hand, training funds for long-term employees may be allocated as part of an economic development incentive for a company expanding in a state.

| | 1989 | 1995 | 1999 | 2006 |
|------------------------------|---------------|---------------|---------------|---------------|
| Total State Budgets | \$523,640,812 | \$437,034,324 | \$639,888,266 | \$571,304,140 |
| Incumbent Worker Spending | \$268,426,217 | \$253,804,503 | \$363,935,465 | \$331,356,401 |
| Incumbent Workers % of Total | 51% | 58% | 57% | 58% |

ADMINISTRATIVE AGENCIES

SINCE 1990, program administration has shifted away from education agencies and toward workforce development agencies. We classified each agency as education, economic development or workforce development. In states that reported two agencies sharing administrative responsibilities, we listed each type of agency. In 2006, forty-eight percent of all states administered training through economic development agencies; 31 percent through workforce development agencies; and 20 percent through education agencies.

| Table 3: Agencies Administering Customized Training | | | | |
|---|------|------|------|------|
| | 1989 | 1995 | 1999 | 2006 |
| Education | 33% | 32% | 27% | 20% |
| Economic Development | 52% | 51% | 52% | 48% |
| Workforce Development | 16% | 17% | 21% | 31% |

States that moved all or part of their customized training administration into a workforce development agency were Florida, Idaho, Indiana, Louisiana, Massachusetts, Minnesota, Nebraska, North Dakota, Texas, West Virginia, and Wyoming. However, the trend is not universal. In 2005, Indiana moved its program from the Department of Workforce Development to the state Economic Development Corporation.

TRAINING FOR SINGLE EMPLOYERS AND EMPLOYER CONSORTIA

TWENTY-NINE states fund consortia training, usually in addition to single-employer training projects. Consortia projects are usually funded to train employees of small businesses or workers in key industries. Consortia may be organized by educational institutions or business associations to pool companies with similar training needs. Some states (Alaska, Delaware, Maryland, Massachusetts, and North Carolina) are encouraging more consortia projects; others, like California, stress single employer training. We noted no trend in consortia funding policies or activities.

Successful consortia have been organized by training institutions, some with strong ties to employers. State attempts to fund consortia training through employer associations have been difficult when associations lack training experience. Massachusetts offers grants of up to \$25,000 to single employers and consortia to assess training needs and plan training projects. Other states have tried similar projects in the past, with mixed results.

Organizing small businesses for training through consortia or individual contracts is difficult for most states. In addition to the administrative time and expense involved in working with very small firms, small businesses frequently have poorly developed human resource systems, little ability to define their own training needs, and little time or administrative capacity to participate in a training project. States adopt a variety of strategies, including tuition subsidies for a pre-approved list of courses and vendors (Hawaii); fast track procedures for small businesses (many states); and special contracting programs (Louisiana, Massachusetts, and Wisconsin). These special programs succeed in increasing the participation rate of small employers, but most states never achieve parity between large and small businesses.

TO CATEGORIZE the types of programs operated around the country, we analyzed state programs by their links in three areas: state economic development, community or technical colleges, and the WIA system. Linkage definitions, described below, were selected to show the programs' position within state government, and the influence of other agencies in making funding decisions and administering projects. We found many states with strong economic development and college links and no states with strong WIA links. Although workforce development agencies administer state customized training programs in almost a third of the states, funding decisions and program administration is not delegated to the WIA system.

For economic development rankings, we awarded states points for each of the following: 1 point if the controlling government agency for customized training is an economic development agency; 1 point if the percentage of new employees trained (vs. incumbent workers) is 75 percent or higher; 1 point if the program is marketed primarily as an economic development incentive; 1 point if the program reported a "high" score on the "Level of Involvement with Economic Development Groups" question on the state summary chart. States that scored 3 or 4 are marked "high" on this ranking. A score of 2 is "medium" and a score of 1 or 0 is "low." States divided into roughly three equal parts with slightly over a third of the states in the "high" economic development group, a third "medium" and a third "low." Individual state rankings are included in the state summary charts.

The 19 states rated "high" for economic development links were: Alabama, Colorado, Florida, Idaho, Iowa, Kentucky, Michigan, Missouri, Montana, Nebraska, Nevada, New Mexico, New York, North Carolina, North Dakota, Oklahoma, South Carolina, Tennessee, and Virginia. Total spending in 2006 by these states was \$197 million, or 35 percent of all state spending. Per capita spending in these states is \$4.07, just below the national average.

States that rated "high" for economic development are concentrated in regions that are expanding their customized training programs. Seven of the states ranked "high" for economic development are in the Southeast; 4 in the Plains; and 3 in the Rocky Mountains. Only 1 is in the Far West and none is in the Northeast. However, the economic development programs are not the biggest spending states in their regions. In the Southeast, for example, Louisiana, Georgia, and Mississippi have the biggest programs, yet rank "low" or "medium" on the economic development scale. These states cater to a broad range of companies and types of training, for example, combining economic development incentives with large incumbent worker programs.

Five of the 19 states that ranked "high" for economic development provide direct training services to employers in contrast to contracting states. These states include North Carolina, South Carolina and Virginia, three of the first states to set up customized training using a services model. Alabama and Oklahoma also combine direct services and economic development.

TO ASSESS links to community and vocational colleges, we used a ranking system that awarded points as follows: 1 point if the controlling government agency for customized training is the college system; 1 point if the colleges perform 75 percent or more of the training; 1 point if the colleges perform project administration activities; and 1 point if the program reported a "high" score on the "Level of Involvement with community colleges" question. States that scored 3 or 4 are marked "high" on this ranking. A score of 2 is "medium" and a score of 1 or 0 is "low."

These 17 states ranked high for community college links: Nevada, Washington, Michigan, Pennsylvania, Maine, Iowa, Missouri, Minnesota, Kansas, Colorado, Utah, Alabama, North Carolina, South Carolina, Georgia, Texas, and Oklahoma. Among them are 9 states that also ranked "high" for economic

development links. Budgets for these states total \$236 million, with per capita spending of \$4.84, near the national average. Among this group only Iowa, Missouri, and Georgia are among the top ten states in either total budget or per capita budget.

Colleges play a wide variety of roles in state programs. In some states, they administer the program and provide all or some of the training (North Carolina, South Carolina, Mississippi, and Georgia) or they play an administrative role but are not exclusive training providers (Pennsylvania and Missouri). In other states they compete with private training companies, private schools and employers themselves to provide training services (California, Louisiana, and Illinois).

There is insufficient data to show precisely how much training is provided by community and technical colleges or to compare changes over time. By one measure the activity of community colleges has dropped since the author's last study of customized training programs in 1999. In 1999 there were 10 states spending \$115 million (in 2006 dollars) in which colleges were exclusive providers of training. Those 10 states accounted for 17 percent of all state spending in 1999. In 2006 only 10 states, with a total budget of \$82 million, used colleges exclusively for training. These colleges accounted for 15 percent of national spending. The state section of this report includes notations of how much training is provided by colleges. Most states do not track this data and many estimates listed should not be considered highly reliable. State policies vary too. For example, in recent years Indiana eliminated a set aside for its technical colleges. On the other hand, Michigan and Kansas are strengthening college roles.

FINALLY, we ranked states by their relationship with elements of the federal Workforce Investment Act by assigning points as follows: 1 point if the controlling government agency for customized training also administers the WIA program; 1 point if some or all funding decisions are made by local or state WIBs; 1 point if the local or state WIA system performs project administration activities; 1 point if the program reported a "high" ranking on at least three of the four "Level of Involvement" questions regarding the WIA system (One-Stop Career Centers, Eligible Training Provider Lists, local WIBs, and the state WIB). States that scored 3 or 4 are marked "high" on this ranking. A score of 2 is "medium" and a score of 1 or 0 is "low."

No state scored "high" and only eight states scored "medium": Alaska, Florida, Indiana, Michigan, North Dakota, Rhode Island, West Virginia, and Wyoming. Relationships between the state programs and WIA are reported to be cordial, but not strong in most states. In a few states, WIA entities played a strong role in administering customized training. For example, in Rhode Island the state WIB directly administered state-financed customized training. No state used local WIBs to administer the customized training funds.

Although some state programs are known for their independence of the federal system, program operators reported relatively close relationships with the WIA system. Asked to rate their level of involvement, state program operators on average said they had a "high" level of involvement with One-Stops and state WIBs and a "medium" level of involvement with local WIBs and the Once-Stop Career Centers. Operators reported low involvement with the WIA eligible training provider list system.

TRENDS IN TOTAL SPENDING BY THE STATES

THIS SECTION reviews in detail financing for state customized training.

Real annual state spending on customized training programs nearly doubled from its lowest point in 1992 to more than \$721.5 million in 2000 and then dropped 21 percent to \$571.3 million in 2006. The 2006 total is just 9 percent higher than spending in 1989, the first year for which national data is available. All spending has been adjusted to constant 2006 dollars using the GDP deflator.

Changes in spending on customized training roughly parallel the fiscal fortunes of the states, as shown in Table 4. The table tracks real general fund spending in the states against customized training expenditures. Although only 42 percent of customized training was paid from general fund resources in 2006, general fund totals are used for comparison as an indicator of the overall fiscal health of the states.

CUSTOMIZED training spending tracks with general fund spending, rising slowly in the early 1990s and then quickly until 2000, when general fund spending levels off and training spending falls off sharply. Training funding fell in 2004, then rose slightly in 2005, and held steady in 2006.

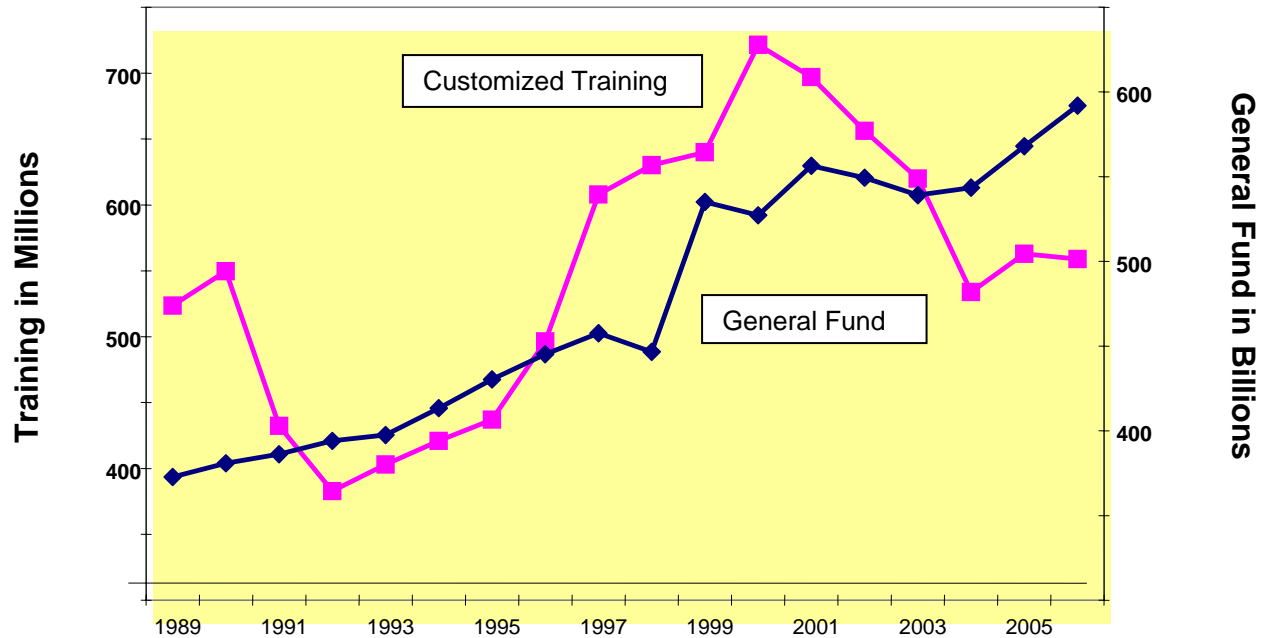
Year-to-year and state-to-state budgets are extremely variable. Between 1989 and 2000, 12 states (Louisiana, Georgia, Texas, Kansas, Missouri, Iowa, New Jersey, Massachusetts, Minnesota, Mississippi, Maryland, and Pennsylvania) each had aggregate budget increases of \$10 million or more, accounting for a total gain of \$315 million. From 2000 to 2006 only four of those states grew (Iowa, Massachusetts, Mississippi, and New Jersey) and the other eight declined by an aggregate total of \$122 million.

| Year | Spending (2006 Dollars) |
|------|-------------------------|
| 1989 | \$523,640,812 |
| 1990 | \$549,647,140 |
| 1991 | \$432,212,411 |
| 1992 | \$382,823,920 |
| 1993 | \$403,055,551 |
| 1994 | \$420,907,712 |
| 1995 | \$437,034,324 |
| 1996 | \$496,367,053 |
| 1997 | \$607,992,025 |
| 1998 | \$630,068,635 |
| 1999 | \$639,888,266 |
| 2000 | \$721,473,315 |
| 2001 | \$696,912,137 |
| 2002 | \$656,193,422 |
| 2003 | \$620,041,578 |
| 2004 | \$533,894,554 |
| 2005 | \$562,823,135 |
| 2006 | \$571,304,140 |

The volatility of the program budgets may be related to their structure. Since they are contract- or project-based, customized training programs can respond directly to specific employer needs. However, that same structure makes the programs targets for budget cuts because assistance contracts are easier to cut than programs with a larger infrastructure of trainers, administrators and facilities. Increases in funding may be amplified in comparison to general fund budgets for the same reason—it is easier to increase and decrease funding for programs structured to deliver short term training projects or contracts than more “permanent” programs.

Volatility in national spending is also related to the relative youth of many of the programs. Creation of a new program or major revisions to an existing program can have a big impact on national totals. Such increases occurred in Mississippi, up \$9 million in 2006; New York \$12 million in 2003; Louisiana \$55 million in 2000; Massachusetts \$9 million in 1999 and \$9 million in 2000; Texas \$62 million in 1996. Big decreases occur as well (Texas, down \$39 million in 2000) when programs are ended.

Table 5: Customized Training and State General Fund Spending 2006 Dollars



Another cause of volatility is special appropriations for specific economic development projects that are part of negotiated incentive packages in Mississippi, Tennessee, and other states.

TO BETTER understand spending trends over time and reduce the effects of annual volatility, we compared spending during three five-year periods in each state. The periods are 1991 to 1995, the early 1990s; 1996 to 2000, the late 1990s; and 2001 to 2005, the early 2000s.

The five year averages show total state spending increasing by 50 percent from the early 1990s to the late 1990s and then holding steady into the early 2000s. Between the early 1990s and the late 1990s budgets in 35 states increased; 13 state budgets decreased; and 2 states (Montana and New Hampshire) had zero budgets for customized training. The biggest increase in average spending was in Texas (\$66 million). Five other states (Georgia, Iowa, Louisiana, Missouri, and Pennsylvania) had increases of \$10 million or more. The largest decrease was \$7 million in New York.

Between the late 1990s and the early 2000s, budgets in 31 states were up; 18 states were down; and only 1 (Montana) had no program for the entire period. In this period Louisiana led the growing states with an increase of \$35 million. Five other states had increases of \$10 million or more (Georgia, Massachusetts, Mississippi, Pennsylvania, and Tennessee). Among the declining states, Texas was down \$59 million; California was down \$33 million; and Michigan was down \$24 million.

| | |
|--------------------------|---------------|
| Early 1990s 1991-1995 | \$415,206,784 |
| Late 1990s 1996-2000 | \$619,157,859 |
| Early 2000s 2001-2005 | \$613,972,965 |

National totals are greatly influenced by a few states with large budgets. From the late 1990s to the early 2000s, if Texas, California and Michigan budgets had been steady, instead of falling, total national spending would have been \$721 million by the early 2000s, up 16 percent in real dollars from the earlier period.

Only 21 states increased their spending during both periods, maintaining gains from the early 1990s to the late 1990s, and continuing from the late 1990s to the early 2000s.

Even after averaging budgets for the three five-year periods, volatility remains high, although most of the change is on the up side. From the early 1990s to the early 2000s, only eight states (Arkansas, Delaware, Hawaii, Illinois, Indiana, Montana, Oklahoma, and Washington) had budget changes of less than 20 percent. Six states had budget increases of more than 1,000 percent (Louisiana, North Dakota, South Dakota, Massachusetts, Mississippi, and Wyoming). Fourteen states had increases between 100 percent and 1,000 percent (Arizona, Florida, Georgia, Idaho, Maine, Maryland, Minnesota, Missouri, Nevada, Pennsylvania, Tennessee, Texas, Utah, and Vermont). Only eight states had budget decreases of 20 percent or more (Alabama, California, Connecticut, Michigan, North Carolina, Oregon, South Carolina, and Wisconsin).

TRENDS IN REGIONAL SPENDING

WE ALSO analyzed state spending by regions defined by the National Governors Association. In 2006 Southeastern states spent the most, \$156 million, or 28 percent of the total. The Plains states (led by Iowa) were next with \$118 million, 21 percent of all state spending, followed by the Middle Atlantic, Great Lakes, Far West, Southwest, Northeast, and Rocky Mountain regions. The Plains is the only region with above average per capita spending. Led by Iowa with per capita spending of \$42.48, every state in the region except Minnesota and Kansas had higher than average per capita spending. See Table 7 below.

| Table 7: Regional Training Budgets in 2006 | | | |
|---|---------------------------------|---|----------------------------|
| | 2006 Customized Training Budget | Regional Budget as Percent of Total State Budgets | Per Capita Regional Budget |
| Far West: California, Nevada, Alaska, Oregon, Washington, Hawaii | \$61,757,000 | 11% | \$2.90 |
| Great Lakes: Indiana, Michigan, Wisconsin, Illinois, Ohio | \$62,623,000 | 11% | \$2.93 |
| Middle Atlantic: New York, New Jersey, Pennsylvania, Maryland, Delaware | \$67,211,718 | 12% | \$3.15 |
| Northeast: Maine, Vermont, New Hampshire, Rhode Island, Connecticut, Massachusetts | \$33,729,000 | 6% | \$4.86 |
| Plains: Iowa, Nebraska, South Dakota, Minnesota, North Dakota, Kansas, Missouri | \$130,257,459 | 23% | \$13.18 |
| Rocky Mountain: Utah, Montana, Colorado, Wyoming, Idaho | \$13,451,100 | 2% | \$2.87 |
| Southeast: Kentucky, Virginia, West Virginia, North Carolina, Louisiana, Tennessee, South Carolina, Mississippi, Alabama, Florida, Georgia, Arkansas | \$156,041,563 | 27% | \$4.84 |
| Southwest: New Mexico, Texas, Oklahoma, Arizona | \$46,233,300 | 8% | \$3.24 |
| All Regions | \$558,841,783 | 100% | \$4.23 |

From the early 1990's to the early 2000s, the regional distribution of training shifted markedly away from the Far West and Great Lakes and toward the Southeast and Plains. Real training budgets fell in the Far West (principally in California) by \$34 million. Real spending also fell in the Great Lakes (primarily in Michigan and Wisconsin) by \$27 million. Every other region increased, with the largest increase in the Southeast, where spending rose \$107 million, more than half the national increase.

Change in the percentage distribution by region is striking. In the early 1990s the Far West and Great Lakes states together made up 56 percent of all spending. Ten years later the same regions accounted for only 28 percent of national spending. The Southeast and Plains states accounted for only 28 percent of spending in the early 1990s. Ten years later those regions were spending 45 percent of the national

| | Early 1990s Customized Training Budget | Percent of Total State Budget | Late 1990s Customized Training Budget | Percent of Total State Budget | Early 2000s Customized Training Budget | Percent of Total State Budget |
|-----------------|--|-------------------------------|---------------------------------------|-------------------------------|--|-------------------------------|
| Far West | \$123,901,021 | 30% | \$122,978,151 | 20% | \$89,949,481 | 15% |
| Great Lakes | \$106,520,519 | 26% | \$92,036,176 | 15% | \$79,947,796 | 13% |
| Middle Atlantic | \$36,102,939 | 9% | \$59,324,355 | 10% | \$80,211,997 | 13% |
| North East | \$13,618,102 | 3% | \$19,168,596 | 3% | \$38,080,011 | 6% |
| Plains | \$48,162,123 | 12% | \$104,913,109 | 17% | \$102,222,692 | 17% |
| Rocky Mountain | \$4,681,276 | 1% | \$11,407,473 | 2% | \$12,590,377 | 2% |
| Southeast | \$66,959,363 | 16% | \$119,631,275 | 19% | \$174,267,391 | 28% |
| Southwest | \$15,261,441 | 4% | \$89,698,725 | 14% | \$36,703,220 | 6% |
| Total | \$415,206,784 | 100% | \$619,157,859 | 100% | \$613,972,965 | 100% |

total. Measured in real dollar terms, spending in the Southeast increased by 160 percent, and spending in the Plains doubled, as shown in Table 8. The increases in the Southeast were led by Louisiana (up \$52 million), Georgia (up \$25 million), Mississippi (up \$17 million), and Tennessee (up \$10 million). All of the Plains states increased its spending on customized training. The largest percentage increase was in North Dakota where spending increased from \$55,000 to \$2.3 million. The smallest percentage increase was in Kansas, which was up 56 percent. Bond funding drove big dollar increases in Iowa (up \$18 million) and Missouri (up \$20 million). The other big dollar increase was in Minnesota (up \$8 million).

| | Early 1990s | Late 1990s | Early 2000s |
|-----------------|-------------|------------|-------------|
| Far West | \$7.21 | \$6.51 | \$4.35 |
| Great Lakes | \$5.56 | \$4.35 | \$3.70 |
| Middle Atlantic | \$1.90 | \$2.98 | \$3.81 |
| Northeast | \$2.22 | \$2.91 | \$5.49 |
| Plains | \$5.80 | \$11.24 | \$10.43 |
| Rocky Mountain | \$1.40 | \$2.81 | \$2.81 |
| Southeast | \$2.59 | \$4.04 | \$5.50 |
| Southwest | \$1.42 | \$7.07 | \$2.63 |
| Total | \$3.78 | \$5.07 | \$4.71 |

Per capita spending by region shows similar changes, with decreases in the Far West and Great Lakes and increases elsewhere in the country. Per capita spending from the early 1990s to the early 2000s is down 40 percent in the Far West and down 36 percent in the Great Lakes. Per capita spending is up in the rest of the country. The biggest percentage increases were in the Middle Atlantic, Northeast, Rocky Mountains, and Southeast, which all more than doubled. In the Southwest, per capita spending was up between the early 1990s and the late 1990s and then declined sharply in the early 2000s, reflecting first the implementation and then the elimination of the large Texas Smart Jobs program. The Plains states have the highest per capita spending, more than double the national average in the early 2000s (see Table 9).

TOP 10 STATES IN SPENDING

THE 10 STATES with the largest budgets account for 60 percent of all state funding in 2006, as shown in Table 10. The top-spending states were a diverse group, including large and medium sized states with a variety of funding mechanisms and program models. Only 5 of the 10 biggest spending states ranked in the top 10 for employment (California, Georgia, New Jersey, Pennsylvania, and Texas). Louisiana, a top 10 state, ranked 24th in employment, and Mississippi ranks 35th. The top 10 were located in six different regions. Three other big states ranked in the top 20 states for customized training spending (Illinois 11th, Ohio 12th, and Michigan 18th). The remaining top 10 states for employment ranked in the bottom half of the states ranked by spending on customized training (Florida 27th in spending, and New York 32nd).

Half of the top spending states funded training with a UI off-set tax (California, Louisiana, New Jersey, Mississippi, and Massachusetts). Two of the top 10 states used bonds to finance training (Iowa and Missouri). Missouri also used general fund money for training. Pennsylvania and Texas were entirely supported by the state general fund. Georgia was funded by a tax credit and the general fund.

Iowa and Missouri spent more than half their money on economic development, or new hire, projects. Georgia spent half on new hires and half on incumbent workers. The rest spent 70 percent or more of their money on incumbent workers. Five of the top 10 have high levels of organizational links with community or technical colleges; two have high economic development links; all have low WIA links.

| Rank | State | Total Spending |
|------|------------------|----------------|
| 1 | Iowa | \$62,295,287 |
| 2 | California | \$52,182,000 |
| 3 | Louisiana | \$44,137,783 |
| 4 | Missouri | \$31,300,000 |
| 5 | Pennsylvania | \$30,000,000 |
| 6 | New Jersey | \$28,700,000 |
| 7 | Mississippi | \$27,853,750 |
| 8 | Georgia | \$22,350,753 |
| 9 | Massachusetts | \$21,000,000 |
| 10 | Texas | \$20,000,000 |
| | Total for Top 10 | \$339,819,573 |

California, Louisiana, New Jersey, and Massachusetts contract with employers and consortia for training. Missouri is similar, but contracts flow through local colleges. Mississippi and Georgia provide direct training services but also help employers provide their own training through contracts (Mississippi) or tax credits (Georgia). In Iowa local colleges issue and administer bonds to finance training, which can be provided by a college, the employer, or a vendor chosen by the employer. Pennsylvania's money is divided into two programs, one administered and mostly delivered through local colleges and a contracting program administered statewide. Texas has a college program with administration and training provided by local colleges.

Average costs per person trained range from about \$200 in Pennsylvania and Mississippi to more than \$8,000 for Iowa's business attraction bond program.

WE CALCULATED per capita budgets for each state by dividing state spending on customized training by the number of persons employed in each state to show relative state spending amounts. Four of the top ten states by per capita spending also fall into the top 10 for total spending (Iowa, Louisiana, Mississippi, and Missouri,) and the rest do not (Alaska, Kansas, New Mexico, Nebraska, Rhode Island, and Wyoming.

Four of the top 10 per capita states fund programs with a UI off-set tax. Two have bond funding. Six use general funds for all or part of their financing. Five states spend 60 percent or more of their money on new jobs (Alaska, Iowa, Kansas, New Mexico, and Missouri). The Nebraska program was new in 2005 and operators could not estimate the split between training for incumbent and new workers. The rest of the top 10 spend most of their money on incumbent workers.

Among the top 10 in per capita spending Iowa, Kansas, and Missouri have high levels of organizational links with community colleges. Four states have high economic development links (Iowa, New Mexico, Missouri, and Nebraska). Alaska and Wyoming had medium WIA links. No state registered high WIA links. Every state was a contracting state, allowing employers to select their own training provider. All except New Mexico will fund consortia training along with single employer training.

| | | |
|----|------------------|---------|
| 1 | Iowa | \$42.48 |
| 2 | Mississippi | \$24.64 |
| 3 | Louisiana | \$23.01 |
| 4 | Alaska | \$19.32 |
| 5 | Rhode Island | \$16.93 |
| 6 | Kansas | \$13.14 |
| 7 | New Mexico | \$12.43 |
| 8 | Missouri | \$11.60 |
| 9 | Nebraska | \$9.54 |
| 10 | Wyoming | \$9.04 |
| | 10 State Average | \$19.27 |

The top 10 per capita spending states as a group spend \$19.27 per person employed in their states, more than five times the median state (California, \$3.54 per capita). If all states spent at the same per capita rate as the top 10, total U.S. spending on the programs would more than quadruple to \$2.5 billion. See Table 11.

DESPITE a 48-year history, state-financed customized training remains on a shaky institutional framework in many states with volatile funding levels and low public visibility. Budgets have stabilized at about one-tenth of one percent of state general fund spending, no more than a footnote in the budgets of most states. Some states boast consistent—but low—funding levels. States with high levels of funding suffer greater volatility. National spending would be four times higher than it is today if all states spent at a level equal to the spending rate of the top ten states. What holds customized training back and prevents its growth?

The state programs have strong links between job training and jobs, an obviously critical element for workforce development programs. They use the job as a classroom, which has been shown to be an effective learning environment. Training for jobs has been accepted as a proper role for governments, which spend billions through vocational education and other workforce development systems.

But state-financed customized training is criticized by economists for subsidizing “specific” training for employers rather than “general” training that an individual can use at multiple worksites and in his or her personal life¹. “Specific” training is said to be the responsibility of the employer to provide because the training is specific to a single employer’s work. General training, on the other hand, is said to be the responsibility of government to fund because its economic benefits accrue far beyond one employer. Others criticize the programs for offering “handouts” and “corporate welfare” to business, with public money substituting for employers’ own money. Economic incentive programs (training and non-training) are criticized as cash machines for shrewd businesses to play one state against another for the business’s private gain.

At its best, customized training can make a difference in the performance of individual companies, their employees and the state economy by providing a combination of general and specific training to meet immediate needs.² Business attraction programs can have a net benefit to the country by making new employees more productive and the businesses where they work more successful, even at a difficult startup phase.

IN THEORY, employers will provide all the training their employees need to do their jobs. But in practice employers, provide little formal or informal training for their workers after hire.³ Employer supported career development and training were more common in decades past in such industries as banking and telecommunications where regulators enforced stability and employer-employee relationships lasted a lifetime. Manufacturing jobs changed little and required little training. Many industries are unregulated and concerns about job instability continue to be an issue. Global competition and technology will transform nearly every job. Training does not create jobs, but it can improve the likelihood of jobs remaining in the U.S. and decrease the incidence of displacement. Customized training money offers an incentive for employers to do more training for their employees.

It is also true that, in theory, as part of their basic mission, the public schools could provide the kind of high quality employment training that employers and employees need. But in practice, standard vocational training is geared toward preparing people for their first job or helping the displaced or the disadvantaged find a new career. Schedules and teaching methods are often not aimed at working

¹ Gary S. Becker, *Human Capital: A Theoretical and Empirical Analysis, with Special Reference to Education*, University of Chicago Press, 1994, is the classic explanation of general and specific training.

² Richard W. Moore, Daniel R. Blake, G. Michael Philips, Daniel McConaughy, *Training That Works: Lessons from California’s Employment Training Panel Program*, W.E. Upjohn Institute for Employment Research, 2003.

³ U.S. Bureau of Labor Statistics Survey of Employer-Provided Training found employers gave their employees an average of only 2.2 hours per month of formal training.

adults. Links to employers are often weak. Budgets are devoted to fixed classes staffed by tenured instructors with insufficient flexibility to assess a workplace and design training for that workplace.

The customized training programs exist because both employer training systems and the state community and technical college systems have failed to provide the kind of training employers require. In a few states (North and South Carolina, for example) the customized training has been successfully institutionalized within state educational structures. However, even in these states, budgets and programs for customized training remain small in relation to overall spending and programs are coordinated by a special office, not operated as part of mainstream programs.

In competition for funding, state customized training programs have an inherent institutional weakness because they are ad hoc, project based programs without large infrastructures of facilities and staff that must be maintained by annual appropriations. That institutional “weakness,” of course, is what makes them effective in responding to needs of employers and then changing as employer needs change. It is also what makes them easy to pare back when budgets are tight.

The state programs remain an experiment in public policy. They offer publicly-funded training through employers—not through schools—and give those employers control over how vocational training is conducted and money is spent. They give employers authority to design curriculum, or at least to sign off on what is taught. They have no fixed program and most have no fixed training staff. Operations are project-based, highly flexible, and always changing.

RECOMMENDATIONS

ALTHOUGH customized training by no means is unique among government programs in its lack of evaluation, this shortfall may hinder its growth. The lack of accountability is ironic because accountability is a common theme of many of the programs the states fund for their employer clients. For example, a training activity commonly funded by state customized training programs involves an assessment by an employer’s work team of a process or problem with the goal of making that process better. The work team learns to define the problem, design a solution, and implement changes. A critical part of these training exercises is determining the appropriate gauge of success and then measuring to determine if success is attained. Performance metrics—for others—are a key part of most state training programs, but are almost entirely absent from the administrative activities of the programs we reviewed. Not a single program reported that it had a system in place to measure performance metrics on a continuing basis. Even California, which first used unemployment insurance wage data to evaluate trainee earnings in the mid 1980s, last used the data to evaluate programs in 1999.

A good system must measure the right thing, be understandable to the public and policymakers, and be cheap to administer. One approach would be to require employers to collect and report production metrics prior to and after training. Then the performance data could be compared with control data. Such a system would measure the right thing, but it is complex and expensive. An alternate approach is to measure trainee work and earnings as a proxy for productivity change and company performance and as a direct measure of citizens’ well-being. Increases in worker earnings are the ultimate objective of economic development activities like the state programs. Economic development is valuable not for its own sake, but because it improves the economic well-being of citizens. If workers do not earn a decent living after training and see increases in their income, programs probably need to be adjusted and improved. A change in earnings also indicates a change in worker productivity:

Direct measurement of productivity changes are difficult and expensive, requiring accurate data on physical input and output for periods before and after training....

Standard economic theory implies that workers are paid the value of their contribution to production (their marginal product). Accordingly, an increase in productivity should result in an increase in workers' earnings (Becker 1993). The advantage of using earnings as an indicator of productivity is that earnings data are much more readily available than physical output data and are reported for individual workers.⁴

THE WIA system points the way to a simple evaluation. State programs could collect micro-level data from trainees using Unemployment Insurance wage data and then report the results. At least four states have conducted such evaluations on a limited basis and found strong earnings gains for participants in customized training. Program operators should consider these metrics. The effectiveness of the programs should be judged as participants would judge them: Do people trained make more money after training? The same measure shows whether productivity at the firm level has changed. States with larger budgets can explore more elaborate evaluation systems, but at a minimum every state could adopt a basic report on wages paid before and after training. Evaluations could be conducted continuously with feedback used to adjust program performance.

Based on the performance of customized training programs compared with the performance of colleges in operating vocational programs and WIBS in operating incumbent worker programs, states could consider the most effective allocation of administrative responsibilities. There is not one inherently "correct" agency to administer a program; the effectiveness of programs varies widely by state and sometimes within states. Agencies that administer job training money could be evaluated based on comparable measures of employment and earnings. Agencies that successfully increase employment and earnings could have an opportunity to bid for additional work from agencies that are less successful. Decisions on administrative responsibility should be driven by performance and should be continually monitored and adjusted. Making such an allocation of responsibility would require the use of common measures of outcomes across systems.

Finally, programs could learn more from each other. Program operators have little interaction with other states or with policy researchers. The National Association of Industry Specific Training Directors represents the state programs and holds an annual meeting, but less than half the states attend.

⁴ Richard W. Moore, Daniel R. Blake, G. Michael Phillips, Daniel McConaughy, *Training that Works: Lessons from California's Employment Training Panel Program*, W.E. Upjohn Institute for Employment Research, Kalamazoo, Michigan, 2003.

Case Study: California

THIS SECTION describes in detail the Employment Training Panel, California's customized training program.⁵ The Employment Training Panel (ETP) is typical of state contracting programs in many ways, including funding levels—California ranked 25th among all states in per capita spending in 2006. Like most states, California funds both incumbent worker training and economic development projects for new employees. It is focused on business, targets manufacturing and other traded sectors, funds most types of training, and usually pays less than a third of employers' training costs.

The following program description is organized from the perspective of employers seeking incumbent worker training, which represents 90 percent of the ETP program. The first part reviews the steps an employer takes in deciding whether to seek ETP subsidies for its training, examining both state rules and internal business requirements. The second part reviews the process for seeking state aid, administering a contract, and receiving money.

CAN MY COMPANY USE ETP?

To make effective use of training subsidies from the California ETP, a business must meet both state legal and programmatic requirements as well as have the internal need and capacity to implement a critical mass of training. Table 12 illustrates the criteria for eligibility. Employers often receive assistance in sorting through these criteria from ETP staff, consultants, and/or consortia organizers.

Like the other 46 states with customized training programs, California's ETP is business-friendly, but actually can offer subsidies to only a small number of the state's businesses. ETP targets training to manufacturing and other traded sectors, which ETP calls companies with "out-of-state competition." The state's economic purpose is to subsidize companies that sell goods or services in a multi-state or international market, not to give a subsidy to one local service company competing only with other local service companies. The economic arguments are sound, but the result is the exclusion of about 80 percent of the 1.2 million employers⁶ in California. Generally excluded employers include 103,000 retailers, 85,000 health care companies, and 400,000 employers in "other services." On the other hand, companies in manufacturing (49,000), finance and insurance (47,000), information (20,000), agriculture, forestry and fishing (20,000) are generally eligible. (This analysis focuses on ETP's main program which uses 90 percent of ETP funds for companies with out-of-state competition. In keeping with the flexibility shown by most states, California sets aside 10 percent of its funds for service companies not eligible for its main program. For simplicity, this analysis will cover only ETP's 90 percent program.)

Even if a company is eligible for training, not all its employees may be eligible. To reward employers paying higher wages, the ETP statute generally limits training to people working in so called good jobs paying \$12 to \$13 per hour, depending on regional wages. Both health benefits and cash wages may be added together to meet the ETP minimum wage. The rule excludes about half the manufacturing and agricultural workers in California from ETP training because they earn less than the minimum.

⁵ This section is based on Steve Duscha's experience as executive director of the Employment Training Panel (1983 to 1989) and as a consultant to businesses, schools, and associations contracting with the agency (1989 to the present).

⁶ California Employment Development Department Labor Market Information Division.

A company must not only be in an eligible industry with employees earning high enough wages; it must also have sufficient employees to support training—10 to 20 employees for a consortia project and 50 to 100 for a single employer contract. It takes a critical mass of employees to train in order to fill classrooms enough to justify the economic costs of training and the administrative costs of working with government. Like many other states, ETP has supported consortia contracts that aggregate training needs of multiple employers that in some cases can enroll one trainee from a single small employer into a class at a training center. However, ETP discourages such projects, worrying that they are not sufficiently customized, and prefers to support consortia training that takes place at the employer’s own worksite. That requires a class full of students to make economic sense for the state and the employer.

The employer must also assess whether it will conduct enough eligible training to justify seeking a training subsidy. ETP requires that each person trained receive at least 24 hours of instructor-led or computer-based training (CBT). The program does not fund costs of on-the-job training, safety and other legally required training, or on-going training that is not part of a new company’s initiative. Employers must decide if they have the need for training and the internal capacity to organize and deliver it or contract out for delivery.

Table 12: Five criteria required to qualify for ETP training



Finally, employers must decide if they have the internal budget to commit to the training project—which amounts to at least half and up to three-quarters of the entire cost. ETP never pays the cost of employee salaries while they are in training, which accounts for at least half the training budget. (Only a handful of states pay employee wages, mostly for economic development projects.) Costs of company trainers are usually covered, but the full costs of outside trainers are not. Small classes, customization, and shift schedules also drive up actual costs to the employer. Unlike most states which pay a portion of budgeted costs, ETP pays a flat fee of \$13 per hour per trainee for instructor-led training and \$8 per hour for computer-based training. But ETP ends up at the high end of states in per trainee spending because other states cap costs with limits on budgets. Every state demands that employers spend some of their own money to obtain a state subsidy.

Only employers from an eligible industry with enough potential trainees who earn at least the threshold wage, that plan sufficient training, and are willing to commit at least half the cost of training can successfully approach the California ETP for funding.

HOW DOES THE ETP PROCESS WORK?

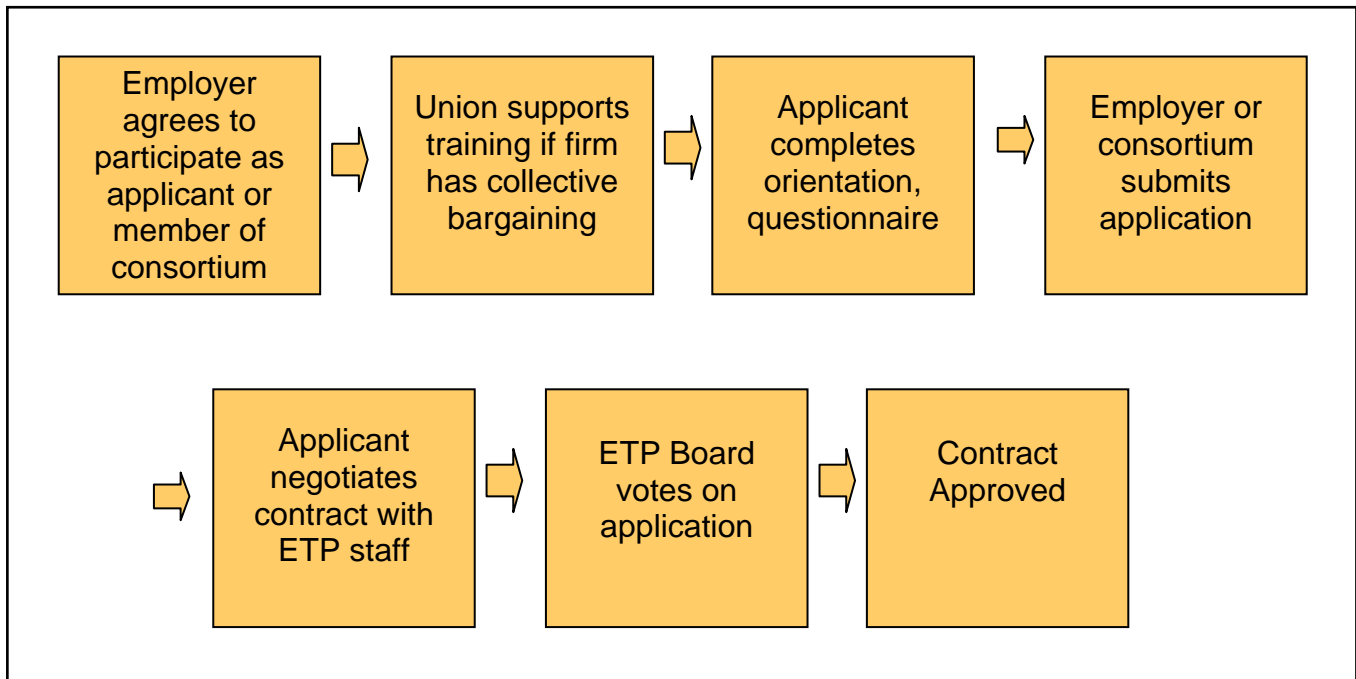
Employers approach the California ETP through two tracks. The first track is single employers contracting directly with the state. These employers learn about ETP through previous experience (many ETP contractors win sequential contracts), word of mouth, consultants who market the program, and marketing by ETP staff. The second track is through multiple employer or consortia, contracts in which community colleges, for-profit vocational schools, employer associations, union apprenticeship committees, and local Workforce Investment Boards market ETP training to employers. About 60 percent of ETP funding is allocated by contract to single employers, with the rest allocated through consortia contracts. Approximately half of the single employer contractors hire consultants to write their applications and guide them through the complex ETP process. Others, including some with previous experience contracting with ETP, work directly with the 88-member ETP staff.

Table 13 summarizes the process. Interested employers first complete an on-line orientation introducing them to the ETP program and its general rules. They then complete an on-line questionnaire asking information about their company, out-of-state competition, and a summary of training plans. At this point ETP staff determines the company's eligibility to participate in ETP training. An entire company can be approved or approval can be given to only certain functions within a company. For example, ETP usually grants full approval to a manufacturer, but might approve training for a financial services firm only for a service center that handles out-of-state customers, and deny training to employees of local branch offices of the same company.

Following this determination of eligibility, another ETP staff analyst visits the company to explain the program rules in more detail, learn about the proposed training and issue forms for the company to complete and file as a formal application. The application includes information about the company, its training needs, an outline of the proposed training, a list of job classifications to be included in the training, the wages of the persons to be trained, the number of trainees and the average hours of training they will receive. If the trainees are represented by a union, the union must be informed about the training, have an opportunity to participate in planning the project, and sign off on the application.

ETP staff then analyzes the application, often asking for clarification and more information. Sometimes staff will suggest reductions in proposed training and contract amounts, elimination of some types of training, and other changes. In some cases, few changes are sought. In 95 percent or more of all applications, staff and contractors agree on details of a contract within a few weeks. The contract is summarized in public documents prepared for presentation at an ETP public meeting.

Table 13: ETP training contract approval requirements



The seven members of the panel serve as the board of directors for the program, setting policy and reviewing and voting on each contract. The panel members are unpaid and serve 2-year terms. Meetings are usually a half day, once a month. Three of the panel members are appointed by the governor; two by the leader of the state senate; and two by the speaker of the state assembly. ETP has a civil service staff headed by an executive director and two assistant directors appointed by the governor. For most of its history, the panel has been bipartisan, equally representing both Democrats (often with links to organized labor appointed by legislative leaders) and Republicans (often with business ties appointed by Republican governors). Partisan disputes have been few; training is an issue that seldom splits on partisan or business-labor lines.

Applicants and staff present each project to the panel for questions, debate, and a vote. Staff usually recommends approval of the final, negotiated applications and the panel usually follows staff recommendations.

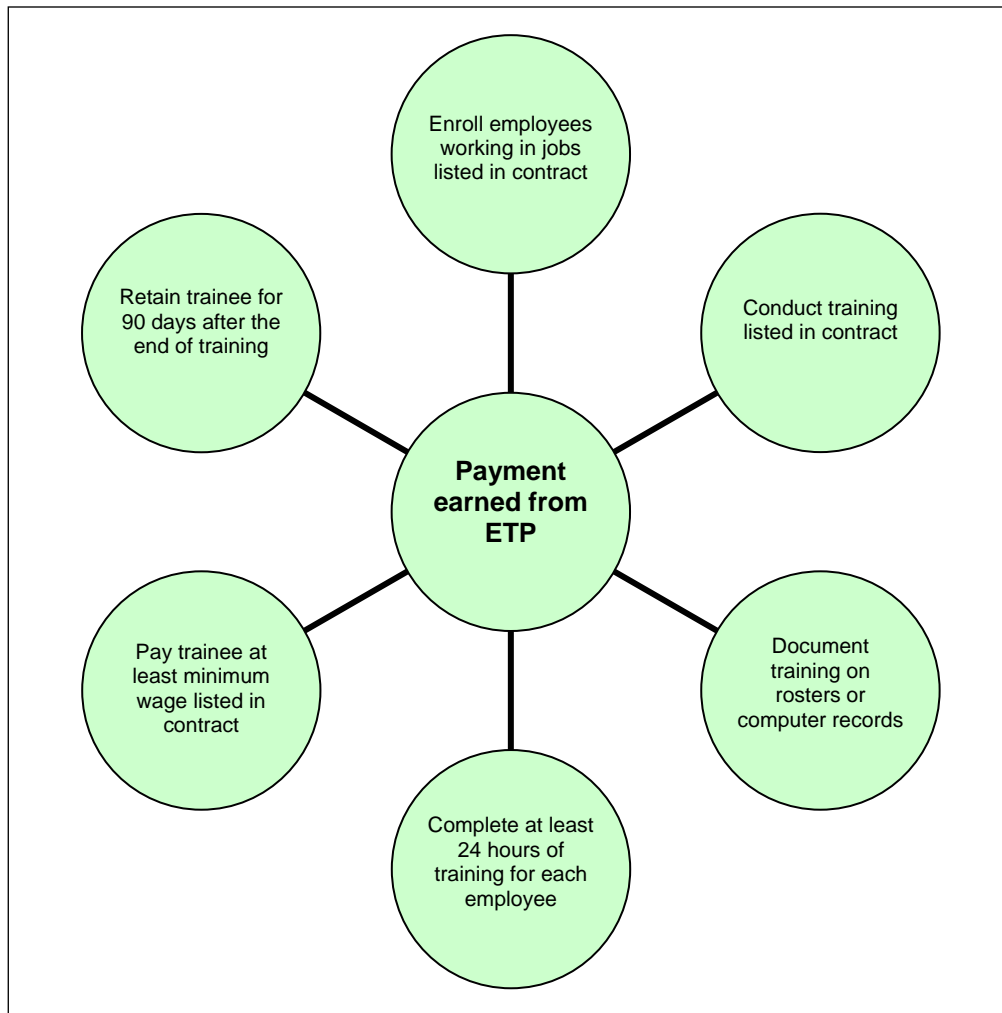
Following approval by the panel, staff prepares the final contract for signature. The contract includes a list of eligible occupations for training, the minimum wages that employees in each occupation earn, and an outline of the training topics. The contract amount is set by formula. For every hour of instructor-led training, the contractor receives \$13 (except \$20 for very small businesses or very technical training). For every hour of CBT, the reimbursement is \$8. The contract sets up a pool of training hours for contractors to draw down. To receive payment for an individual trainee, that trainee must receive at least 24 hours of training and usually no more than 200 hours.

ETP monitoring staff brief contractors on record keeping requirements and visit about every quarter, or more often if they find problems. Contractors must document training with paper rosters signed daily by trainees and trainers or an approved electronic learning management system. Contractors must send personal and demographic data on each trainee and a record of each hour of class or CBT to an ETP

web site. Invoices are filed electronically through the same web sites. About half of single employer contractors hire a consulting company to help administer their ETP paperwork.

ETP's performance-based payment system is unique in the U.S. Contractors earn money from ETP trainee-by-trainee, after each trainee has completed eligible training and been retained on the job for at least 90 days. The contractor receives payment for the number of hours each person completes. If the trainee does not complete at least 24 hours of training, the contractor receives no payment for that trainee. Unlike most states, expenditures by contractors are not tracked, only hours of training and

Table 14: How a contractor earns money in a California ETP contract



subsequent employment. Progress payments are provided for cash flow, but are owed back to the state if they are not earned when training and the 90-day retention on the job are completed. Some ETP contractors earn every dollar of their contracts, but the average contractor earns just 50 percent because it does not complete all the planned training and meet all the performance contract requirements. Table 14 outlines the process for earning money from an ETP contract.

The second track for approaching ETP is similar except the consortia organizer becomes the agent for the employer. Consortia can be organized by a public or private school, a union apprenticeship program, a chamber of commerce or other legitimate employer association, or by a local WIB. All types of organizations seek ETP contracts; there is no dominant type or industry represented.

ETP funds two kinds of consortia. The first is, in effect, a master contract awarded to the organizer, which in turn arranges for training at individual firms. Training, which may be provided by the organizer or a third party trainer, takes place at the employer's site. The consortium handles the ETP paperwork and some or all the details of training. The second type of consortia training more closely mirrors vocational school programs. Employees (as few as one per employer) are sent to a central location for a class designed for a group of similar companies with similar training needs (for example, electrical contractors or engineering companies). Training is customized to the occupational group and to a lesser extent to the company through the use of appropriate examples, projects, and assignments. After encouraging such training as a way to help very small businesses, ETP has turned away from them because some center-based projects were criticized for not offering sufficient customization of their training.

The consortia application process is similar to the process for single employer contracts. Applicants must describe the consortium membership, document the participation and eligibility of individual employers, provide a training summary, and list occupational groups to be trained. ETP staff usually calls the listed employers to verify their participation, and staff negotiates the size and content of the application with the consortium organizer.

Review by the panel and execution of the contract are identical to the process for single employers. After approval, the contractor can add more employers to the project by filing paperwork with ETP staff to demonstrate that the employer meets the out-of-state competition requirement. Small employers and employers of all sizes with a relatively small number of people to train are obvious targets for consortia training. Some larger employers also seek consortia contractors because they do not want to take on the real or perceived burdens of contracting with state government. Some consortia also are skilled at working with one or more training providers that meet employer training needs.

It usually takes a total of three to four months from initial contact with ETP to approval of an application by vote of the panel. Contracts can start immediately and last two years. Unlike some states, there is no requirement that contractors spend money within a single fiscal year. In most years, ETP has money available to allocate year round, which contrasts with many states that make money available, sometimes in competitive processes, at one or more specific times during the year.

ETP's latest data⁷ aggregates program performance for contracts that were completed during the 2005 fiscal year and shows 55,163 people trained in 162 single employer contracts and 50 consortia contracts. The average single employer earned almost \$200,000; the average consortia, \$500,000. Seventy-nine percent of the money went to companies with 250 or more employees. Fifty-seven percent of the money earned went to manufacturers. The average wage of trainees was \$27 per hour.

⁷ Annual Report 2004-05, published by ETP December 2005. Note that this data is based on contracts completed during the year. Data in the State Descriptions portion of this report is based on contracts approved.

State Descriptions

THE STATE pages that follow present an overview of each state's customized training. We make every attempt to review the state as a whole, even when customized training is divided among multiple "programs." When necessary for clarity, we present separate data for separate programs.

The first section in each state page shows how the state views itself. The "Description" section is a quotation from state material, often from a web site or other published material that shows how the state describes its own activities. The "Model Project" is a specific customized training project. In most cases these project descriptions are taken from state web sites. In some cases we identified them from interviews. The "Best Practices" section is each state's answer to the question: "We are identifying a list of best practices to highlight. What would you say are the one or two elements of your program that are most responsible for your success?" Some states did not answer those questions.

The remainder of the first page is a qualitative description of each program intended to answer these questions:

- What companies are targeted for training?
- What trainees are targeted for training?
- Who can provide training?
- Does the state fund training only for single employers or also for groups, or consortia of employers?
- What is the content of training that is typically provided? Are there limits or exclusions?
- How are community colleges involved in the state program?
- In the opinion of program operators, does the state program spawn follow-on training involving trainees and/or employers?
- What kind of monitoring and evaluation systems does the state have?
- What policy issues does the program operator list for the program as a whole?

Answers to the questions are included when they are available. Some states cannot or choose not to answer some of the questions and alternate data sources were not found.

THE SECOND page lists the following data elements for each state's customized training program or programs. We attempted to gather data sufficient to answer each question. Data was not always available from the state interviews or from published sources and, in some case, the authors calculated averages from published or reported information. Following is a listing of each data element:

1. What year did the state first fund customized training? The founding date is not necessarily the date the state's current program began operating, but is the earliest date for which we have data for the operation of any state-funded customized training.

2. Does the state fund training for new jobs?
3. Does the state fund training for incumbent workers?
4. Approximately what percent of state money is allocated to training for new jobs?
5. Approximately what percent of state money is allocated to training for incumbent workers?
6. What is the source of money for customized training? Where does it come from in the state budget?
7. What is the average cost of training one person?
8. If there is a maximum cost per trainee, what is it? "N.A." means the state says it does not set an official maximum.
9. What is the average amount per training project? (A project is training customized for one employer or for a consortium of employers receiving similar training.)
10. If the state sets a maximum per project, what is it? "N.A." means the state does not set an official maximum.
11. Which state agency administers the program or programs? For analysis we categorized agencies as economic development, college, workforce development, or a combination of agencies.
12. Does the state fund training for consortia of employers or is funding limited to single employers only?
13. Are the decisions on what projects to fund made by a central state agency?
14. Is there a substantial degree of control over decisions on what projects to fund with local or substate areas?
15. Does the state contract for training, in contrast to acting as a direct provider of training services?
16. Is the state a direct service provider, in contrast to a contracting entity? (States can support training through both contracts and training services, but most do one or the other.)
17. Can employers select a training provider or does the state require in all or most cases the use of a preferred provider? (For states that are entirely direct service providers, the answer is always no. For contracting states, some limit contracts to two-year colleges; most do not.)
18. What is the total number of trainees served during the 2004-05 fiscal year?
19. Who is the client of state customized training?
20. Does the state fund recruitment and screening of new employees for employers expanding or locating in a state?
21. Does the state fund classroom training?
22. Does the state fund on-the-job training?
23. Does the state fund computer-based or web-based training?
24. Does the state fund English as a second language training?
25. Does the state fund basic literacy training?

26. Does the state fund basic math training?
27. Does the state fund welfare-to-work training?
28. How many staff does the state have to administer its customized training? (Numbers are not strictly comparable between states that provide direct services vs. states that contract for training. Contracting requires far fewer staff than direct service.)

THE SECTION titled “Summary of self-reports by program on level of involvement with” on the state data page asks the program operator interviewed in each state for his or her impressions of the level of involvement or linkages between state customized training and other entities. The authors asked the program operators to rate each group on a scale of 1 to 5. Responses of 1 or 2 are shown as “low”; 3 is “medium”; 4 or 5 is “high.” Although no attempt is made to verify the statements made in this section, we found a high degree of correlation between these answers and other data gathered.

The section titled “Assessment of Organizational Links” uses data collected by the authors to categorize programs according to their links to various other organizations. Three or four points in a category is listed as a “high” level of involvement; 2 points is listed as “medium”; and 0 or 1 point is listed as “low.” The results are descriptive only; there is no “right” or “wrong” answer.

Economic Development measures the programs as economic development tools based on these factors:

- 1 point if the controlling government agency for customized training is an economic development agency.
- 1 point if the percentage of new employees trained (vs. incumbent workers) is 75 percent or higher.
- 1 point if the program is marketed primarily as an economic development incentive.
- 1 point if the program reported a “high” score on the “Level of Involvement with Economic Development Groups” question.

Community College measures the customized programs’ links with the state two-year colleges, either general or technical colleges based on these factors:

- 1 point if the controlling government agency for customized training is the college system.
- 1 point if the colleges perform 75 percent or more of the training.
- 1 point if the colleges perform project administration activities.
- 1 point if the program reported a “high” score on the “Level of Involvement with community colleges” question.

WIA measures the customized programs’ links with the state WIA programs based on these factors:

- 1 point if the controlling government agency for customized training also administers the WIA program.
- 1 point if some or all funding decisions are made by local or state WIBs.
- 1 point if local or state WIA system performs project administration activities.
- 1 point if the program reported a “high” ranking on at least three of the four “Level of Involvement” questions regarding the WIA system (One-Stop Career Centers, Eligible Training Provider Lists, local WIBs, and the state WIB).

The budget section lists inflation-adjusted funding for all state programs by fiscal year. All budgets were converted to 2006 dollars using the GDP deflator (Table 10.1 of the 2005 President's Budget). For states with two-year budgets, money is allocated between the two years according to state reports or if no specific allocation is made, then equally between the two years. Budgets for multiple programs in a single state are added together. Actual expenditures from past years are listed when available from the states. Budgetary authority is listed for the latest year. We have used state program operator reports in most cases. For some states we used numbers from state budget web sites or documents.

In several states in which data was not available in one or more years the authors estimated spending equal to the budget in the previous year to improve comparability of time series data. We indicate which years are estimates with an asterisk (*). Data is not available for several reasons. In some cases historical data was not listed in public sources or available to program operators. For most states with tax credits, the amount of credits is not budgeted in advance. A few state programs (including some funded through college systems) do not allocate a specific budget available in advance to customized training

PER CAPITA is a measure of state spending relative to the size of the state labor market. Real (inflation adjusted) training budgets are divided by annual estimates from the Bureau of Labor Statistics (BLS) for total non-farm employment by state published on-line in January 2006. Calendar year estimates from BLS correspond to the first year included in a state fiscal year. Thus, calendar 2004 employment data is used for 2004-05 per capita calculations. For calendar 2005, an annual rate had not been calculated, so the authors used employment for July 2005.

Per capita rank is determined by sorting the state per capita amounts for 2006 in descending order and then numbering them. States with identical per capita spending are given the same per capita rank.

Dollar rank is determined by calculating average real state budget amounts for the 2006 in descending order and then numbering them. States with identical dollar budgets are given the same dollar rank.

The 15-year Per Capita Trend compares the average real per capita spending in the five year period 1991-1995 with the average real per capita spending in the five year period 2001-2005. "Up" means per capita spending is higher in the most recent period. "Down" means it is lower.

Alabama

Alabama Industrial Development Training (AIDT)

Description: AIDT was established to build a healthy state economy by recruiting and training a skilled workforce to attract new industries to the state and to expand existing industries. Job-specific pre-employment and on-the-job training programs are provided. The program provides a full range of customized technical training programs that are free to the employers and to the trainees. Management and supervisory training programs, including Total Quality Management (TQM) and ISO 9000 are also available. In addition to training, AIDT offers services including trainee recruitment and screening.

Model Project: "AIDT had a direct impact on the successful startup of our company. Today we employ more than 3,400 associates — 99 percent from Alabama. The outstanding recruitment and training process helps us find workers in communities where before coming to Alabama we had no relationship or experience.

Best Practice: The program really listens to what the customer wants and needs.

Alabama Industrial Development Training (AIDT), an arm of the state community college system, provides direct training services, not contracts to firms. In addition to mobile units, the program has set up training centers at new auto plants in the state. The program is one of the state's major incentive programs to attract new business to Alabama. In addition, the program funds incumbent worker training in leadership, process quality and other skills.

Pre-employment training and screening is a major focus of the program. Working with each company, AIDT staff members prepare training and materials for a 40-80 hour class and hands-on program. Training is usually at night so potential applicants can keep working at their current jobs. The extended training serves as a tryout for employees and a screening tool for employers. AIDT also helps companies recruit engineers and other salaried employees. Company employees are often recruited as trainers. Project managers set up, monitor, and evaluate projects and revise them as necessary.

Budget numbers reflect on-going appropriations. In addition, the program receives bond funds for special projects, like those with Boeing, Mercedes, Honda, and Hyundai. No formal company match is required, but companies must commit time to oversee training development and training.

To be eligible for new hire training, companies must pay at least \$8 an hour and train for 10 or more new jobs. Retail jobs are excluded.

AIDT as a state agency is ISO 9001 certified (an international process quality standard) and program operators report that they are benchmarking the program itself against other state customized training programs. AIDT has an advisory council that includes business and education representatives. A survey of industrial site selection consultants published in 2004 by Expansion Management magazine rated AIDT the best workforce training program in the U.S.

| Alabama Industrial Development Training (AIDT) | |
|---|------------------------|
| Year customized training funding began | 1971 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 90% to 95% |
| Percent of money to incumbent workers | 5% to 10% |
| Source of Money | General Fund & Bonds |
| Average per trainee | \$3,000 |
| Maximum per trainee | \$3,000 |
| Average per project | N.A. |
| Maximum per project | None |
| Agency that administers program | College |
| Does the program fund consortia training? | No |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | No |
| Does the state provide training services? | Yes |
| Can employers select any training provider? | No |
| Trainees 2004-05 | 2,200 |
| Who is the client? | Business and workers |
| Recruitment and screening funded? | Yes |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | No |
| English as a second language training | Yes but limited |
| Basic literacy training | No |
| Basic math training | Yes but limited |
| Welfare-to-work training | No |
| Number of program staff | 147 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$12,122,034 |
| 1990 | \$11,687,826 |
| 1991 | \$10,243,058 |
| 1992 | \$9,381,995 |
| 1993 | \$7,390,111 |
| 1994 | \$6,935,161 |
| 1995 | \$20,685,219 |
| 1996 | \$14,383,395 |
| 1997 | \$14,136,625 |
| 1998 | \$16,294,987 |
| 1999 | \$20,679,249 |
| 2000 | \$6,869,210 |
| 2001 | \$6,930,862 |
| 2002 | \$6,912,565 |
| 2003 | \$6,896,222 |
| 2004 | \$6,865,829 |
| 2005 | \$6,715,818 |
| 2006 | \$7,024,000 |
| Finance Summary | |
| Per Capita 05-06 | \$3.65 |
| Per Capita Rank | 24 |
| Dollar Rank | 23 |
| 15-Year Per Capita Trend | |
| Down | Up |

Alabama Industrial
Development Training
One Technology Court
Montgomery, AL 36116
334-242-4158
www.aidt.edu

Alaska

State Training and Employment Program (STEP)

Description: *To reduce current and future claims against unemployment insurance benefits through an investment in job training. To foster growth of existing businesses and attraction of new businesses to the state through the development of a local, skilled workforce and to contain unemployment insurance costs.*

Model Project: *Truck driving in Alaska's difficult weather and road conditions requires at least 10 weeks of extensive instruction and the computerization of vehicle operations also complicates training. To meet these challenges, one STEP training program required trainees to be housed and paid a wage by the employer for the entire training period. The trucking company owner initially objected to paying wages for so much unproductive time, but finally agreed and was pleased with the training. The joint investment of time and money by trainees, the employer, and STEP almost guarantees skilled and loyal new employees.*

Best Practice: *Simplification of paperwork so employers and employees are not put off by the program.*

Seventy-five percent of funds are granted directly to employers and training vendors to address needs of an industry or an individual employer. The rest is spent for services to unemployed and underemployed individuals and to special projects. Most training is in construction, education, office technology, health care, and transportation. The program emphasizes the prevention of unemployment. The program is funded by a UI off-set tax of one-tenth of one percent of wages up to \$27,000. Unlike most states where employers pay the UI and the training tax, in Alaska employees are taxed. Most of the funds are spent for customized, industrial training, but there also are special management and quality systems training programs.

Potential trainees must intend to make Alaska their home. They also must have worked in a job covered by unemployment insurance during the three years prior to training. At one time the money was allocated to local workforce boards, which used the money primarily for services to individuals. Now the program is centrally administered with most of the money devoted to consortia contracts (especially in construction) for groups of employers rather than individuals. In 2005 about 20 percent of program funds were allocated through local one-stop centers for individual training. Administration of projects remains with local WIBs. The program's biggest challenge is geography. Serving people living in small, isolated villages even with distance learning is difficult and expensive.

Alaska has an evaluation program using trainees' wages before and after training as reported to the state for unemployment insurance administration. The latest date is for persons who completed training in 2002-03. For this group, median earnings in the seven to twelve months prior to training were \$11,386. Median earnings in the seven to twelve months after completing training were \$13,386, a 21 percent increase. Comparing a full year before training with a full year after training, earnings were up 15.9 percent. Overall, earnings of people unemployed before training increased 18.1 percent, and earnings of employed workers increased 11.7 percent. Studies also show reduced unemployment costs for trainees. In a statewide study STEP ranked number one among Alaska training programs for median earnings (\$28,594) and tied for number one for percent of completers employed 12 months after training (92.6).

| State Training and Employment Program | |
|---|--------------------------|
| Year customized training funding began | 1989 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 75% |
| Percent of money to incumbent workers | 25% |
| Source of Money | UI off-set tax |
| Average per trainee | \$1,750 |
| Maximum per trainee | \$20,000 |
| Average per project | \$150,000. |
| Maximum per project | None |
| Agency that administers program | Labor |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | Yes |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 2,100 |
| Who is the client? | Business and individuals |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | No |
| Basic literacy training | Yes GED Training |
| Basic math training | Yes GED Training |
| Welfare-to-work training | No |
| Number of program staff | 2 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list* | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

* No response

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$2,874,904 |
| 1990 | \$2,390,797 |
| 1991 | \$2,858,664 |
| 1992 | \$2,345,499 |
| 1993 | \$3,567,640 |
| 1994 | \$3,617,291 |
| 1995 | \$3,787,058 |
| 1996 | \$3,835,572 |
| 1997 | \$3,769,767 |
| 1998 | \$3,724,568 |
| 1999 | \$3,676,311 |
| 2000 | \$2,398,593 |
| 2001 | \$3,113,387 |
| 2002 | \$4,363,556 |
| 2003 | \$5,577,240 |
| 2004 | \$4,820,748 |
| 2005 | \$5,709,516 |
| 2006 | \$6,400,000 |
| Finance Summary | |
| Per Capita 05-06 | \$19.32 |
| Per Capita Rank | 4 |
| Dollar Rank | 25 |
| 15-Year Per Capita Trend | |
| Down | Up |

State Training and
Employment Program
1016 Sixth Ave.
Anchorage, AK 99501
907-269-4660
www.labor.state.ak.us

Arizona

Job Training Program

Description: *The Arizona Department of Commerce Job Training Program is a job-specific reimbursable grant program that supports the design and delivery of customized training to meet specific needs of employers, create new jobs and help increase the skill and wage levels of employees in Arizona. This program can provide grant money to employers located in Arizona for training new employees or to supplement training programs for incumbent employees.*

Best Practices: *Funding is generally not competitive and is available year round for all industries.*

The Arizona Job Training Program is a large, direct grant program funded by a UI off-set tax that took effect January 1, 2001. Prior to that Arizona had a general fund program to train new employees for new and expanding businesses. In 2005 the tax (1/10 of one percent of the first \$7,000 in wages) raised about \$12.5 million, but not all is appropriated to the program; some is diverted to fund general government activities. The agency contracts for up to two years directly with employers and with groups of employers, apprenticeship committees and small business development centers for consortia training. Contracts may not be awarded to colleges, but employers may select any training provider they choose.

The program targets manufacturing, but other industries, including health care, are eligible. The program seeks projects in all areas of the state, including rural areas, and for businesses of all sizes. In 2003-04, 23 percent of funds went to companies with fewer than 100 employees. The average wage for all trainees in a project must equal or exceed published minimums based on geography and size of business. In 2005 averages ranged from \$17.35 per hour for businesses with 300 or more employees in Maricopa County to a low of \$8.05 for businesses of any size in rural counties. Most training is customized industrial training. Arizona also has special programs in management and quality.

Employers must provide a match equal to at least 25 percent of reimbursement for new employees and 50 percent for incumbent workers. Employers must report on their projects quarterly; state staff monitors each project in person at least once. Train-the-trainer activities help companies continue training after funding ends.

| Arizona Job Training Program | |
|---|------------------------------------|
| Year customized training funding began | 1993 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 45% |
| Percent of money to incumbent workers | 55% |
| Source of Money | UI off-set tax |
| Average per trainee | \$1,500 new jobs; \$580 inc worker |
| Maximum per trainee | N.A. |
| Average per project | \$120,000 |
| Maximum per project | \$700,000 |
| Agency that administers program | Commerce |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 10,000 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | No |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 3 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------------|
| 1989 | \$0 |
| 1990 | \$0 |
| 1991 | \$0 |
| 1992 | \$0 |
| 1993 | \$0 |
| 1994 | \$3,742,025 |
| 1995 | \$3,664,895 |
| 1996 | \$5,393,773 |
| 1997 | \$5,301,234 |
| 1998 | \$5,819,638 |
| 1999 | \$5,744,236 |
| 2000 | \$5,704,879 |
| 2001 | \$7,813,550 |
| 2002 | \$11,735,877 |
| 2003 | \$12,813,381 |
| 2004 | \$8,576,612 |
| 2005 | \$11,249,071 |
| 2006 | \$11,033,300 |
| Finance Summary | |
| Per Capita 05-06 | \$4.56 |
| Per Capita Rank | 20 |
| Dollar Rank | 16 |
| 15-Year Per Capita Trend | |
| Down | Up |

Arizona Job training
Program
1700 West Washington
Suite 220
Phoenix, AZ 85007
602-771-1181
www.azcommerce.com

Arkansas

Business and Industry Training Program (BITP)

Existing Workforce Training Program (EWTP)

Description: *The Business and Industry Training Program (BITP) is a nationally recognized program for new and expanding companies. Business and Industry Training program project managers work with the Department's Community and Business Development team when negotiating with new and expanding companies. The project managers then work closely with the company throughout the training project, meeting with the local educational institution and the company coordinator to find the best trainers for the company's needs. The Existing Workforce Training Program (EWTP) provides financial assistance to Arkansas' businesses and eligible consortia of businesses for upgrading the skills of the existing workforce.*

Best Practices: *Spend a lot more time on job retention and training for changing technology than on attracting new business. Everything is customized.*

The Business and Industry Training Program (BITP) provides training for new jobs for manufacturers, national or regional corporate headquarters, distribution centers and knowledge-based companies. The program has a new emphasis on serving existing companies in Arkansas with training for expansion. Recruitment, pre-employment training (including training materials and train-the-trainer programs) and post-hire training are funded.

Reimbursements per trainee are calculated based on a formula that includes (1) the hourly wage; (2) whether the industry is stable, declining or growing nationally; (3) whether the company is a startup or an established company; and (4) the location within Arkansas.

The Existing Workforce Training Program (EWTP) is Arkansas' incumbent worker training program to upgrade worker skills and increase the capacity of state-supported educational institutions to meet ongoing training needs of Arkansas companies. Manufacturers, computer firms that derive at least 75 percent of their revenue from sales outside the state, and commercial, physical and biological research firms are eligible. Trainees must be employed for at least six months with an eligible company to be trained. Eligible training includes any skills needed by an employer for its employees to remain competitive, productive and economically viable, including training in new production, management or continuous improvement systems.

EWTP pays up to half the cost of instruction for the 75 percent of all training provided through state schools. For company or private vendor training EWTP authorizes a \$15 per instructional hour tax credit. Maximum combined funding for one location per year is \$50,000. Both programs monitor projects monthly with in-person visits by state staff.

The program lists these challenges: Increasing funding to meet expanding needs, better collaboration with Workforce Investment Boards, better industry targeting, and finding methods to better understand the real needs of business. The program reports companies tend to keep training after funding ends because they have seen it work for them.

| Business and Industry Training Program (BITP) Existing Workforce Training Program (EWTP) | |
|---|--------------------------|
| Year customized training funding began | 1969 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 60% |
| Percent of money to incumbent workers | 40% |
| Source of Money | General fund |
| Average per trainee | N.A. |
| Maximum per trainee | None |
| Average per project | N.A. |
| Maximum per project | BITP N.A.; EWTP \$50,000 |
| Agency that administers program | Economic Development |
| Does the program fund consortia training? | No |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | N.A. |
| Who is the client? | Company |
| Recruitment and screening funded? | Yes |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | No |
| Number of program staff | N.A. |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$1,956,372 |
| 1990 | \$2,356,148 |
| 1991 | \$2,137,319 |
| 1992 | \$1,563,666 |
| 1993 | \$1,911,236 |
| 1994 | \$1,890,970 |
| 1995 | \$1,856,880 |
| 1996 | \$1,797,924 |
| 1997 | \$1,767,078 |
| 1998 | \$1,745,891 |
| 1999 | \$1,723,271 |
| 2000* | \$1,689,150 |
| 2001* | \$1,650,205 |
| 2002* | \$1,620,132 |
| 2003* | \$1,591,436 |
| 2004 | \$1,960,922 |
| 2005 | \$1,921,864 |
| 2006 | \$2,385,000 |
| *Estimate | |
| Finance Summary | |
| Per Capita 05-06 | \$2.05 |
| Per Capita Rank | 39 |
| Dollar Rank | 39 |
| | |
| 15-Year Per Capita Trend | |
| Down | Up |

Department of Economic
Development
One State Capitol Mall
Little Rock, AR 72201
501-682-1179
www.1-800-arkansas.com

California

Employment Training Panel (ETP)

Description: *ETP administers a statewide economic development program to support the California economy, by ensuring that employers have the skilled workers they need to compete globally. ETP was created in 1983 with the initial mandate of addressing the large displacement of workers resulting from plant closures, by moving the unemployed quickly into jobs, or by saving jobs of workers threatened with displacement. This was done as an experiment in diverting Unemployment Insurance tax dollars. Since then, the program has been significantly expanded to benefit the overall California economy, by primarily focusing its funds on the retraining of incumbent workers of businesses challenged by out-of-state competition.*

Best Practices: *The program is business-funded and 100 percent performance-based with no reimbursement earned by contractors until trainees complete training and 90 days on the job.*

California was the first state to enact a UI off-set tax (one-tenth of one percent of the first \$7,000 in wages) to fund customized training. Incumbent workers are eligible for training as long as the company where they work demonstrates that the workers' function or division faces "out-of-state competition." Work that automatically qualifies includes manufacturing and headquarters and back office facilities for multi-state service organizations. Eligibility is generally limited to companies with annual turnover less than 20 percent. Training must last at least 24 hours per employee and generally can last up to 200 hours. Training can be instructor-led classroom training or computer-based training. No on-the-job training is funded. In metropolitan areas in 2005 only persons making about \$13 per hour or more can be trained. Wages are slightly lower in other areas of the state. New hire training is limited to school-based programs for unemployed workers.

Unlike most states that use budgets and reimburse training costs, reimbursement is based on a fixed fee per hour of training (\$13 for most training in 2005). Payments are earned trainee-by-trainee after completion of training hours and retention on the job for at least 90 days. Contractors must return unearned benchmark payments to the state.

ETP's budget has been cut by more than half since its peak in 1997-99. Tax collections fell slightly, but the cuts are mostly due to transfers of ETP tax collections to the state social services department to pay TANF costs.

About 80 percent of all ETP contracts are with individual employers; the rest are with schools and employer associations. Community colleges receive less than 10 percent of ETP funds.

ETP was the first customized training program to conduct ongoing program evaluations using employer wage data records. The evaluations consistently show higher earnings for ETP trainees compared to several different control groups. In the most recent completed study,⁸ ETP trainees averaged an 11 percent real increase in income in the year after training compared with the year before. A control group drawn from data on the state's workforce had only a 6 percent increase.

⁸ Richard W. Moore, Daniel R. Blake, G. Michael Philips, Daniel McConaughy, *Training That Works: lessons from California's Employment Training Panel Program*, W.E. Upjohn Institute of Employment Research, 2003.

| Employment Training Panel | |
|---|-------------------------------|
| Year customized training funding began | 1983 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 10% |
| Percent of money to incumbent workers | 90% |
| Source of Money | UI off-set tax |
| Average per trainee | \$1,000 |
| Maximum per trainee | N.A. |
| Average per project | \$285,000 |
| Maximum per project | N.A. |
| Agency that administers program | Labor & Workforce Development |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 70,000 |
| Who is the client? | Business and workers |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | No |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | Yes |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 88 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------------|
| 1989 | \$152,369,926 |
| 1990 | \$190,002,522 |
| 1991 | \$100,595,595 |
| 1992 | \$124,581,165 |
| 1993 | \$129,041,529 |
| 1994 | \$119,053,767 |
| 1995 | \$104,378,646 |
| 1996 | \$91,346,917 |
| 1997 | \$113,869,784 |
| 1998 | \$136,978,901 |
| 1999 | \$134,646,038 |
| 2000 | \$93,666,001 |
| 2001 | \$106,913,492 |
| 2002 | \$102,025,135 |
| 2003 | \$99,433,972 |
| 2004 | \$52,616,861 |
| 2005 | \$44,902,282 |
| 2006 | \$52,182,000 |
| Finance Summary | |
| Per Capita 05-06 | \$3.54 |
| Per Capita Rank | 25 |
| Dollar Rank | 2 |
| 15-Year Per Capita Trend | |
| Down | Up |

Employment Training Panel
1100 J St., Fourth Floor
Sacramento, CA 95814
916-327-5640
www.etp.ca.gov

Colorado

Colorado FIRST and Existing Industry Customized Training

Description: *Colorado First grants are for companies that are relocating to Colorado or existing companies that are undertaking a major expansion. Existing Industry grants are designed for Colorado companies that are implementing new technology to remain competitive and keep jobs in Colorado. Approved training is for transferable job skills that support both the company's economic competitiveness by re-training its workers in new skills, while enhancing the workers' resumes and long-term employment opportunities*

Best Practice: *Good outreach to identify needed skill sets.*

Colorado's two programs are operated together, with administrative oversight divided between the state Office of Economic Development and the Colorado Community College System. Applications are prepared by companies and local colleges and then reviewed by the two state agencies. Individual project grants are administered by local colleges. Colleges may provide training, but employers can provide their own training or seek outside vendors. When colleges provide training, it is highly customized. Colorado accepts applications for new and expanding companies all year; applications for incumbent worker training are accepted three times a year.

Training must be completed within the fiscal year that funds are allocated. Reimbursements per trainee are capped at \$800. Employers must contribute a match equal to 40 percent of the total project cost. Trainees must earn at least \$7 in rural areas and \$8.50 in urban areas. In addition, jobs must have "significant career opportunities and require substantive instruction."

| Colorado FIRST and Existing Industry Customized Training | |
|---|--------------------------------|
| Year customized training funding began | 1984 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 35% |
| Percent of money to incumbent workers | 65% |
| Source of Money | General Fund |
| Average per trainee | N.A. |
| Maximum per trainee | \$800 |
| Average per project | N.A. |
| Maximum per project | None |
| Agency that administers program | Economic Develop & Com College |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | N.A. |
| Who is the client? | Business |
| Recruitment and screening funded? | Yes |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | No |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | No |
| Number of program staff | 1 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$1,834,189 |
| 1990 | \$2,338,130 |
| 1991 | \$2,237,506 |
| 1992 | \$2,606,110 |
| 1993 | \$2,525,379 |
| 1994 | \$2,472,231 |
| 1995 | \$2,421,274 |
| 1996 | \$4,434,880 |
| 1997 | \$4,735,769 |
| 1998 | \$6,634,388 |
| 1999 | \$6,548,429 |
| 2000 | \$4,795,632 |
| 2001 | \$4,685,064 |
| 2002 | \$4,599,685 |
| 2003 | \$4,473,032 |
| 2004 | \$2,834,778 |
| 2005 | \$2,778,314 |
| 2006 | \$2,700,000 |
| Finance Summary | |
| Per Capita 05-06 | \$1.21 |
| Per Capita Rank | 42 |
| Dollar Rank | 36 |
| 15-Year Per Capita Trend | |
| Down | Up |

Colorado FIRST
Existing Industry
Customized Training
1625 Broadway, Suite 1700
Denver, CO 80202
303-892-3840
www.state.co.us/oed

Connecticut

Connecticut's Customized Job Training Program ended June 30, 2003. The state had a budget deficit and laid off employees and shut down a number of programs. A small appropriation reactivated the program a year later, but there was again no funding in 2005-06. The program had offered training for new employees and incumbent workers.

| <i>Budget in 2006 Dollars</i> | |
|-------------------------------|-------------|
| 1989 | \$5,718,185 |
| 1990 | \$3,880,714 |
| 1991 | \$3,072,396 |
| 1992 | \$3,222,455 |
| 1993 | \$2,661,759 |
| 1994 | \$2,756,324 |
| 1995 | \$3,915,941 |
| 1996 | \$4,338,287 |
| 1997 | \$4,741,874 |
| 1998 | \$4,684,671 |
| 1999 | \$4,623,974 |
| 2000 | \$2,617,750 |
| 2001 | \$3,634,229 |
| 2002 | \$1,867,076 |
| 2003 | \$1,401,383 |
| 2004 | \$0 |
| 2005 | \$374,004 |
| 2006 | \$0 |

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Delaware

Blue Collar Program

Description: For new and expanding businesses and business retention purposes, subsidized training programs can be arranged. The amount and type of subsidy are determined by the size of the business, its potential impact on Delaware's economy, and the availability of other training resources. Workforce Development makes use of special state funds for training. Programs are developed to meet the stated hiring needs and skill levels of specific businesses. Industry maintains total control of the hiring decision.

Model Project: The program worked collaboratively with the company to reconfigure a previously conducted supervisory skills program that had mediocre results to one focused on reducing employee turnover company-wide. As a result of the supervisory training and English as a second language training, the company promoted many of the employee participants. "This program has associates motivated, they are talking in the hallways, they are excited and enthusiastic," says the company HR Manager.

Best Practice: Close association with businesses for which training is provided to maximize training investment in dollars and employer/trainee time.

The Delaware Blue Collar program is an incumbent worker grant program. Along with the rest of the Delaware Economic Development Office, the Blue Collar program is moving away from single employer services and toward training for clusters of employers with similar training needs. Initial clusters have been analyzed in financial service and insurance, automobile manufacturing, agriculture, tourism, life sciences and biotechnology, chemistry, and corporation and legal services. All clusters are in traded industries. Non-profits, retail and health care are excluded. The cluster initiative is designed to identify shared skill needs and skill standards, address immediate and long term labor needs, and leverage resources.

Typical training includes technical skills, problem solving, teamwork, customer service, lean manufacturing, and ISO. Funds also are available for training analysis and design, job profiling and assessment services, and train-the-trainer programs. Trainees are limited to frontline workers up to first line supervisors, who earn at least \$7 an hour plus benefits. Companies must contribute at least a dollar-for-dollar match. Some years up to a four-to-one match is required. Employers provide most of the training themselves; community colleges are not active. In evaluating training proposals, Delaware asks three questions: (1) What are the company's main business goals? (2) How will the training support those goals? (3) How will the business know the training is successful? Studies show participating employers performing more training after state support ends, especially when projects include train-the-trainer elements.

The Blue Collar program is funded by a UI off-set tax (.15% of the first \$8,500 in wages). Only a quarter of the taxes raised goes to the Blue Collar program. The rest is allocated for up to \$1,500 a year in tuition assistance for individual workers for degree and vocational education programs.

Viewed from the perspective of states that use customized training as a business attraction tool, Delaware's investment in customized training is understated. However, Delaware also budgets bond funds (\$22.5 million in 2004-05) for business incentives, which may be spent for training alongside other business costs.

| Blue Collar Program | |
|---|------------------------|
| Year customized training funding began | 1984 |
| New job training | No |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 0% |
| Percent of money to incumbent workers | 100% |
| Source of Money | UI off-set tax |
| Average per trainee | \$400 |
| Maximum per trainee | \$2,500 |
| Average per project | \$15,500 |
| Maximum per project | \$100,000 |
| Agency that administers program | Economic Development |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 6,109 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | No |
| English as a second language training | Yes |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | No |
| Number of program staff | 4 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$1,552,448 |
| 1990 | \$1,247,372 |
| 1991 | \$1,536,198 |
| 1992 | \$651,527 |
| 1993 | \$656,191 |
| 1994 | \$963,447 |
| 1995 | \$635,248 |
| 1996 | \$1,014,680 |
| 1997 | \$1,270,328 |
| 1998 | \$1,050,366 |
| 1999 | \$1,036,756 |
| 2000 | \$626,413 |
| 2001 | \$547,438 |
| 2002 | \$598,085 |
| 2003 | \$834,357 |
| 2004 | \$788,268 |
| 2005 | \$1,285,082 |
| 2006 | \$1,200,000 |
| Finance Summary | |
| Per Capita 05-06 | \$2.75 |
| Per Capita Rank | 32 |
| Dollar Rank | 45 |
| 15-Year Per Capita Trend | |
| Down | Up |

Delaware Development Office
Workforce Development
99 Kings Highway
Dover, DE 19901
302-739-4271
www.delawareworkforce.com

Florida

Quick Response Training

Description: *The Quick Response Training Program provides grant funding for customized training for new or expanding businesses. Through this customer-driven program, Florida is able to effectively retain and attract businesses creating new high-quality jobs. Workforce Florida, Inc. administers the program. Created in 1993, Quick Response has provided customized training for over 85,000 employees for more than 300 businesses and industries throughout the state. The program has been structured to be flexible and to "respond quickly" to meet the business's training objectives.*

Model Project: *"Through the Quick Response Training grant we successfully trained a manufacturing and finishing labor force within one year's time. Without the grant it would have been impossible to build and train a team of unskilled workers into a team of skilled productive associates. In our community there is little work other than farm work for most people. We now have a base to build our business and a labor pool to draw on while allowing residents the opportunity to learn a skilled trade and the opportunity to earn increased wages," said the president of a building products company.*

Best Practice: *Extremely responsive to business; the program responds to applications in 3-10 days and takes applications year round.*

The current Quick Response Training Program dates to 1993. It provides grant funds for customized skill training for new and expanding companies creating new jobs in targeted industries (life sciences, information technology, aviation and aerospace, homeland security and defense, financial services, and professional services). Only businesses serving multi-state and/or international markets are targeted. Retailers, utilities, mining and extraction companies are excluded.

Companies may select any training provider, but almost always perform the training themselves. A state college or university performs administration for five percent of contract amounts. Contracts last up to two years. Jobs generally must pay at least 115 percent of the local or state average private sector wage, whichever is lower, except for projects in an enterprise zone, distressed rural or urban area, or Brownfield. Florida only funds training through Quick Response that is not available locally from other sources. State staff monitor 6-7 times during the course of each project.

The program cites these challengers: not enough money; supporting non-targeted industries; improving coordination with local workforce boards; and companies not using all committed money as planned. Projects that include train-the-trainer provisions often generate additional, non-funded training at participating companies.

| Quick Response Training | |
|---|------------------------|
| Year customized training funding began | 1968 |
| New job training | Yes |
| Incumbent worker training | No |
| Percent of money to new jobs | 100% |
| Percent of money to incumbent workers | 0% |
| Source of Money | General Revenue |
| Average per trainee | \$750 |
| Maximum per trainee | None |
| Average per project | \$180,000 |
| Maximum per project | None |
| Agency that administers program | Workforce Development |
| Does the program fund consortia training? | No |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 6,650 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | No |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | No |
| Number of program staff | 2 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------|
| 1989 | \$2,156,178 |
| 1990 | \$2,078,954 |
| 1991 | \$2,003,737 |
| 1992 | \$0 |
| 1993 | \$0 |
| 1994 | \$6,236,708 |
| 1995 | \$3,298,405 |
| 1996 | \$5,239,152 |
| 1997 | \$4,712,208 |
| 1998 | \$4,655,711 |
| 1999 | \$4,595,389 |
| 2000 | \$4,504,400 |
| 2001 | \$6,600,821 |
| 2002 | \$6,480,529 |
| 2003 | \$6,365,743 |
| 2004 | \$5,201,386 |
| 2005 | \$5,097,782 |
| 2006 | \$5,000,000 |
| Finance Summary | |
| Per Capita 05-06 | \$0.65 |
| Per Capita Rank | 44 |
| Dollar Rank | 28 |
| 15-Year Per Capita Trend | |
| Down | Up |

Workforce Florida, Inc.
1974 Commonwealth Lane
Tallahassee, FL 32303
850-921-1119
www.workforceflorida.com

Georgia

Quick Start and Retraining Tax Credit

Description: Georgia's Quick Start program is nationally recognized for providing high-quality training services at no cost to new or expanding businesses in Georgia. Since 1967, Quick Start has provided customized training for hundreds of thousands of employees and for thousands of businesses and industries throughout the state.

Model Project: "During our initial meeting, when your group began to describe your services, it seemed too good to be true. As we began to put the pieces of the puzzle together, it was evident that we had the right group working by our side helping us to create the big picture. I was astonished at the detail and thoroughness of the training programs. The Georgia Quick Start training program built a foundation of knowledge within our people; thereby, providing for a successful start-up."

Best Practice: Training is not at all generic; rather it is specific to a company and the facility where the employees work.

Georgia operates both a highly structured training service as a business attraction tool and a retraining tax credit that is similar to other states' incumbent worker grant programs. Quick Start is a direct service provider operated by Georgia's technical college system, the Department of Technical and Adult Education. The program is primarily a business attraction service, helping train employees for new and expanding firms. For the first time in 2002, money was provided for incumbent worker training services from this program.

Quick Start promises customized, flexible training, delivered on the company's schedule at the company's site. Manufacturers, warehousing and distribution centers, call centers, headquarters and other business services companies are eligible for training. Retailers and health care are excluded. Quick Start begins with a training needs analysis and creates a detailed training plan. Training includes company orientation, job skills, employee involvement and quality improvement skills. Pre-employment training is offered as a screening tool.

Quick Start spending totaled about \$12 million per year from 2000 to 2006. Program operators believe Quick Start generates follow-on training because it establishes an entire system of training within a company and leaves the company with materials and skills to continue training on its own.

The Georgia Retraining Tax Credit, enacted in 1994, provides employers a credit of up to \$500 per trained employee against Georgia income tax liability. Unused credits can be carried forward for up to 10 years. To be eligible for the tax credit, training must be on new equipment or new technology including software and system upgrades, total quality management, ISO 9000 or self-directed work teams. Only first line employees and their immediate supervisors qualify for the credit. Most training costs incurred by employers can be used, including trainer costs and the cost of employee salaries during training. Employers may select any public or private trainer. To claim the credit, employers must submit a training plan with learning objectives, instructional materials and other documentation for approval to the Department of Technical and Adult Education. In the 2004 tax year, credits used and carried forward to future tax years totaled \$10.5 million. The value of credits peaked at \$39 million in 2000.

| Quick Start (QS) and Retraining Tax Credit (RTC) | |
|---|-----------------------------|
| Year customized training funding began | 1987 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 50% |
| Percent of money to incumbent workers | 50% |
| Source of Money | General Fund and Tax Credit |
| Average per trainee | QS \$300; RTC \$500 |
| Maximum per trainee | N.A. |
| Average per project | QS \$40,000 |
| Maximum per project | N.A. |
| Agency that administers program | Two-year college system |
| Does the program fund consortia training? | No |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | QS No; RTC Yes |
| Does the state provide training services? | QS Yes; RTC No |
| Can employers select any training provider? | QS No; RTC Yes |
| Trainees 2004-05 | 63,500 |
| Who is the client? | Business |
| Recruitment and screening funded? | Yes |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | No |
| Basic literacy training | No |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 90 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------------|
| 1989 | \$7,043,515 |
| 1990 | \$7,428,795 |
| 1991 | \$7,160,019 |
| 1992 | \$7,557,718 |
| 1993 | \$7,390,111 |
| 1994 | \$8,769,511 |
| 1995 | \$7,962,459 |
| 1996 | \$10,547,823 |
| 1997 | \$11,191,495 |
| 1998 | \$11,639,276 |
| 1999 | \$11,718,241 |
| 2000 | \$56,868,844 |
| 2001 | \$47,474,689 |
| 2002 | \$36,897,181 |
| 2003 | \$31,327,369 |
| 2004* | \$24,259,423 |
| 2005* | \$23,005,522 |
| 2006* | \$22,350,753 |
| *Estimate | |
| Finance Summary | |
| Per Capita 05-06 | \$5.27 |
| Per Capita Rank | 16 |
| Dollar Rank | 8 |
| 15-Year Per Capita Trend | |
| Down | Up |

Georgia Quick Start
75 Fifth Street NW, Suite
400
Atlanta, Georgia 30308
404-253-2822
www.georgiaquickstart.org

Budget totals since 1999-00 include the retraining tax credit. Tax year data was provided by the Georgia Department of Revenue through 2004. Data for latest years may be changed as tax returns are amended. The authors assumed tax credits for 2005 and 2006 would equal 2004.

Hawaii

Employment and Training Fund (ETF)

Description: *Employers can refer their employees to existing short-term, non-credit training courses such as those offered at the University of Hawaii, Community Colleges and other ETF approved public and private training vendors. The program is open to all within a company. Training courses that are available include, but are not limited to: computer, business, management, health, medical training, or soft skills training.*

The Employment and Training Fund employer referral program is a tuition reimbursement, or voucher program, that pays up to \$250 per course for an incumbent worker to attend training at selected schools. Employers must match the state payment dollar-for-dollar and pay 100 percent of any school fees in excess of \$500.

The 19 schools that were authorized to participate in the program in the fall of 2005 were the University of Hawaii Outreach College, six community colleges, eight private computer schools, a food safety program, Dale Carnegie Training, and two business management programs. Training topics included management and supervision, health care, food safety, landscaping, English as a second language, basic math, and a wide variety of short-term, non-credit courses offered by the public colleges and university.

To be eligible for the program, employees must be referred by their employer and the training must be related to the employee's present job. In addition, the training must not supplant or subsidize ongoing training at the worksite. Each trainee and his or her employer must fill out a form requesting the training voucher, which must also be signed by the training vendor and processed through a local one-stop center. Individuals may enroll in multiple courses up to a lifetime maximum reimbursement per person of \$3,000. Most marketing is conducted by the training vendors.

In 2005 the program was funded through a UI off-set tax of .01 percent of wages up to \$32,800. In recent years the tax rate was cut from .05 percent. The cut in funding was intended to provide tax relief to small businesses. Until the 2005-06 fiscal year when it was eliminated, the program also provided funding to industry consortia where there were critical skill shortages in high growth occupational or industry areas. Some of these programs were criticized in a 2001 state auditor report for high costs per person trained. The audit report also said program evaluations were inadequate.

The UI tax off-set was enacted in 1991. Hawaii offered customized training through a small state appropriation starting in 1987.

| Employment and Training Fund Program | | | |
|---|------------------------|--------|-------------|
| Year customized training funding began | 1987 | | |
| New job training | No | | |
| Incumbent worker training | Yes | | |
| Percent of money to new jobs | 0% | | |
| Percent of money to incumbent workers | 100% | | |
| Source of Money | UI off-set tax | | |
| Average per trainee | \$250 | | |
| Maximum per trainee | \$250 | | |
| Average per project | \$50,000 | | |
| Maximum per project | N.A. | | |
| Agency that administers program | Labor | | |
| Does the program fund consortia training? | No | | |
| Is the program centrally administered? | Yes | | |
| Is there a strong local or substate role? | Yes | | |
| Does the state contract for training? | Yes | | |
| Does the state provide training services? | No | | |
| Can employers select any training provider? | No | | |
| Trainees 2004-05 | 3,124 | | |
| Who is the client? | Business and employees | | |
| Recruitment and screening funded? | No | | |
| Classroom training | Yes | | |
| On-the-Job training | No | | |
| CBT/web-based training | No | | |
| English as a second language training | Yes | | |
| Basic literacy training | Yes | | |
| Basic math training | Yes | | |
| Welfare-to-work training | No | | |
| Number of program staff | 2 | | |
| Summary of self-reports by program on level of involvement | | | |
| Employers for whom training is provided | Low | Medium | High |
| Community/Technical colleges | Low | Medium | High |
| Economic development groups | Low | Medium | High |
| Employer associations | Low | Medium | High |
| Unions | Low | Medium | High |
| One-stop centers | Low | Medium | High |
| Eligible training provider list | Low | Medium | High |
| Labor market information | Low | Medium | High |
| Local Workforce Investment Boards | Low | Medium | High |
| State Workforce Investment Board | Low | Medium | High |
| Assessment of organizational links | | | |
| Economic Development | Low | Medium | High |
| Community College | Low | Medium | High |
| Workforce Investment Act | Low | Medium | High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$359,363 |
| 1990 | \$346,492 |
| 1991 | \$333,956 |
| 1992 | \$2,606,110 |
| 1993 | \$3,185,393 |
| 1994 | \$3,118,354 |
| 1995 | \$4,642,200 |
| 1996 | \$4,554,742 |
| 1997 | \$4,476,598 |
| 1998 | \$5,501,886 |
| 1999 | \$2,872,118 |
| 2000* | \$2,872,118 |
| 2001 | \$3,850,479 |
| 2002 | \$2,160,176 |
| 2003 | \$1,909,723 |
| 2004 | \$2,356,228 |
| 2005 | \$1,325,423 |
| 2006 | \$1,200,000 |
| *Estimate | |
| Finance Summary | |
| Per Capita 05-06 | \$2.02 |
| Per Capita Rank | 40 |
| Dollar Rank | 45 |
| | |
| 15-Year Per Capita Trend | |
| Down | Up |

Employment and Training
Fund Program
830 Punchbowl St., Suite
329
Honolulu, HI 96813
808-586-8838
www.hawaii.gov/labor/etf

Idaho

Workforce Development Training Fund

Description: *The Workforce Development Training Fund has two primary objectives: First, it provides funding to companies to help them train new employees so that the companies can take full advantage of specific economic opportunities and industrial expansion initiatives in the marketplace. Second, it allows for skills upgrade training of current workers who are at risk of being permanently laid off. Both of these objectives will help Idaho communities attract and retain desired companies and make Idaho a better place to work, live, and do business. The WDTF will not replace or compete with current training programs offered through Idaho's technical college system or labor organizations. Idaho's technical colleges, located in each region of the state, are willing partners available to customize training suited to the specific needs of the company. Funds will be available for any size employer. And to the extent possible, there will be equitable access to these funds throughout the state for both urban and rural areas. The WDTF requires minimum paperwork while maximizing its return to the public investment.*

Best Practices: *Responsive to business; the "One-contact Deal" with easy access and simple paperwork.*

The Idaho program supports new hire training through direct contracts with employers. The program is administered by Idaho Commerce & Labor, with assistance from the State Division of Professional Technical Education, which reviews training plans and curriculum. The program is supported by a UI off-set tax that was enacted effective July 1, 1996 by decreasing UI taxes by three percent and imposing a new training tax in the same amount on the same employers. In 2001 the legislature passed a bill extending the popular program's sunset date to January 1, 2007 with just one "no" vote.

Companies are eligible to participate if they sell a majority of their products and services outside the state or outside the market area in which they are located. Retailers are eligible for training only if they can show "a compelling economic benefit to the state." Companies must train at least five people and pay at least \$6 an hour plus benefits and agree to hire or retain all those who successfully complete training. Employers may provide their own training or select any public or private training vendor or school. Two-year technical colleges are involved in about 30 percent of projects. Contracts generally last no longer than two years. Applications are assessed based on the economic impact of the project, the company need for training support, the quality of the training plan, and the budget. An employer match of at least 25 percent is required. The program has the authority to fund incumbent worker training to help prevent layoffs, but seldom does so. The program staff believes their training funds spur follow-on training, especially through technical colleges.

| Workforce Development Training Fund | |
|--|------------------------|
| Year customized training funding began | 1982 |
| New job training | Yes |
| Incumbent worker training | Yes, but seldom used |
| Percent of money to new jobs | 100% |
| Percent of money to incumbent workers | 0% |
| Source of Money | UI off-set tax |
| Average per trainee | \$1,700 |
| Maximum per trainee | \$2,000 |
| Average per project | \$80,000 |
| Maximum per project | N.A. |
| Agency that administers program | Commerce & Labor |
| Does the program fund consortia training? | No |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 2,200 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | No |
| Basic literacy training | Yes |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 2 |
| Summary of Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations* | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

* No response

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$596,543 |
| 1990 | \$575,177 |
| 1991 | \$554,367 |
| 1992 | \$540,768 |
| 1993 | \$509,663 |
| 1994 | \$498,937 |
| 1995 | \$122,163 |
| 1996 | \$119,862 |
| 1997 | \$3,534,156 |
| 1998 | \$3,491,783 |
| 1999 | \$3,446,542 |
| 2000 | \$2,651,308 |
| 2001 | \$1,812,239 |
| 2002 | \$2,664,946 |
| 2003 | \$5,557,029 |
| 2004 | \$2,148,086 |
| 2005 | \$3,670,403 |
| 2006 | \$3,900,000 |
| Finance Summary | |
| Per Capita 05-06 | \$6.32 |
| Per Capita Rank | 13 |
| Dollar Rank | 30 |
| 15-Year Per Capita Trend | |
| Down | Up |

Idaho Commerce & Labor
317 West Main St.
Boise, ID 83735
208-332-3570
www.cl.idaho.gov

Illinois

Employer Training Investment Program (ETIP)

Description: *The Employer Training Investment Program (ETIP) helps keep Illinois workers' skills in pace with new technologies and business practices, which, in turn, helps businesses increase productivity, reduce costs, improve quality and boost competitiveness. ETIP grants can reimburse Illinois companies for up to 50 percent of the cost of training their employees. Grants may be awarded to individual businesses, to original equipment manufacturers sponsoring multi-company training for employees of their Illinois supplier companies, and to intermediary organizations operating multi-company training projects.*

The Illinois program, part of the Department of Commerce and Economic Opportunity, provides direct grants to employers and to consortia sponsored by business associations, colleges, large manufacturers on behalf of their supplier networks, and unions. Although the WIA program is housed in the same department, direct management of ETIP customized training comes from a separate administrative unit administering Technology and Industrial Competitiveness. ETIP is targeted to individual companies undertaking major retention, expansion or location projects, making capital investments, or with customized training needs not shared with other companies. Retail is excluded, and the program does not fund sales training. A 50 percent employer match is required.

Illinois targets these industry clusters for special attention: manufactured inputs, agriculture and food products, industrial machinery, electrical equipment, transportation equipment, telecommunications equipment, consumer appliances and electronics, export services, technology base companies, health services and biomedical products.

ETIP has separate application procedures for small companies with fewer than 250 employees and promises them a quick turnaround in about three weeks. Small company projects average about \$26,000.

Prior to 2005 ETIP used WIA funds to augment its budget. The program reported difficulty by contractors in meeting WIA rules and the WIA funding was discontinued. The current program consolidates programs formerly known as the Industrial Training Program and the Prairie State 2000 Authority.

In many cases, the state reports, when community colleges customize training for companies they engender continuing relationships among trainees, colleges and the companies.

The program collects final reports from companies about the value of training, including such information as scrap reduction and practices to streamline operations.

| Employer Training Investment Program | |
|---|----------------------------------|
| Year customized training funding began | 1978 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | N.A. |
| Percent of money to incumbent workers | N.A. |
| Source of Money | General Revenue |
| Average per trainee | \$500 New job; \$250 Inc. worker |
| Maximum per trainee | N.A. |
| Average per project | \$60,000 |
| Maximum per project | N.A. |
| Agency that administers program | Commerce |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 56,000 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | Yes if direct link to training |
| Basic literacy training | Yes |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 7 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------------|
| 1989 | \$50,835,495 |
| 1990 | \$45,332,836 |
| 1991 | \$40,882,640 |
| 1992 | \$26,028,298 |
| 1993 | \$20,315,415 |
| 1994 | \$21,722,146 |
| 1995 | \$26,266,059 |
| 1996 | \$18,965,705 |
| 1997 | \$21,879,962 |
| 1998 | \$24,236,465 |
| 1999 | \$23,635,233 |
| 2000 | \$18,244,315 |
| 2001 | \$26,463,596 |
| 2002 | \$26,126,038 |
| 2003 | \$26,640,954 |
| 2004 | \$22,518,359 |
| 2005 | \$17,842,236 |
| 2006 | \$17,500,000 |
| Finance Summary | |
| Per Capita 05-06 | \$2.97 |
| Per Capita Rank | 30 |
| Dollar Rank | 11 |
| 15-Year Per Capita Trend | |
| Down | Up |

Department of Commerce
and Economic
Opportunity
620 East Adams St.,
3rd Floor
Springfield, IL 62701
217-785-6284
www.illinoisbiz.biz/dceo

Indiana

Training Acceleration Grant

Description: *Innovating Indiana through the Training Acceleration Grant will put you on the right path to training your workers for the jobs of tomorrow. The Indiana General Assembly created the Incumbent Worker Training Fund (IWTF) in 2001 to: enable firms to become competitive by making workers more productive through training; create a competitive economy by creating and retaining jobs; encourage increased training necessary due to an aging workforce; reduce future payment of unemployment compensation by providing workers with enhanced job skills; and improve manufacturing productivity levels in Indiana.*

Indiana's Training Acceleration Grants (TAG) are made directly to employers, groups of employers and to the state's two-year technical colleges for incumbent worker training only.

Companies must use a public or private training vendor and may not use their own employees to provide training. Training must result in a portable, industry-recognized training credential. In addition, training must: (1) lead to wage increases for trainees; (2) increase efficiency, assist in the implementation of new technology, or otherwise foster job retention and expansion; (3) target businesses with 100 or fewer employees; or (3) address skills gaps identified through the WorkKeys job skills assessment system developed by ACT, the testing organization. Career ladder training also is encouraged.

The program is funded by a UI off-set tax equal to .09 percent of the first \$7,000 in wages paid. These taxes are deposited in the Skills 2016 Fund, previously known as the Skills 2000 Fund. The program reviews applications every two weeks and uses an on-line application. Companies may apply for a series of repeat contracts to continue training over several years.

TAG was known as the Incumbent Worker Training fund until 2005, when new legislation reorganized the program. The changes moved the budget for the program from the Department of Workforce Development to the Economic Development Corporation. Staff support remains with the Department of Workforce Development which solicits and analyzes proposals and then makes recommendations to the Economic Development Corporation. A key change in 2005 was to remove a statutory set-aside of 55 percent of the funds for the technical college system for apprenticeship and other programs. Instead, the new law gives the college system "special consideration" as the training vendor when it is cost effective and meets the needs of employers. The new law also dissolved the board that provided oversight to the program and transferred funding decisions to the director of the Economic Development Corporation. The Incumbent Worker Training fund was created in 2001. Prior to that, the state had general fund support for customized training.

| Training Acceleration Grant | |
|---|-------------------------------|
| Year customized training funding began | 1981 |
| New job training | No |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 0% |
| Percent of money to incumbent workers | 100% |
| Source of Money | UI off-set tax |
| Average per trainee | \$750 |
| Maximum per trainee | \$3,500 |
| Average per project | \$140,000 |
| Maximum per project | \$200,000 |
| Agency that administers program | Workforce Dev & Economic Dev. |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | No |
| Trainees 2004-05 | 25,000 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | No |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | No |
| Number of program staff | 15 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------------|
| 1989 | \$14,662,012 |
| 1990 | \$17,463,212 |
| 1991 | \$16,831,388 |
| 1992 | \$17,070,019 |
| 1993 | \$16,691,457 |
| 1994 | \$14,680,618 |
| 1995 | \$13,563,436 |
| 1996 | \$15,582,012 |
| 1997 | \$15,314,677 |
| 1998 | \$15,131,059 |
| 1999 | \$14,935,013 |
| 2000 | \$14,639,300 |
| 2001 | \$14,301,778 |
| 2002 | \$14,257,165 |
| 2003 | \$17,717,986 |
| 2004 | \$17,164,573 |
| 2005 | \$15,293,345 |
| 2006 | \$15,000,000 |
| Finance Summary | |
| Per Capita 05-06 | \$5.11 |
| Per Capita Rank | 19 |
| Dollar Rank | 15 |
| 15-Year Per Capita Trend | |
| Down | Up |

Indiana Economic
Development
Corporation
One North Capitol
Suite 700
Indianapolis
317-232-0160
www.iedc.in.gov

Iowa

Iowa Industrial New Jobs Training Program

Iowa Jobs Training Program

Description: Iowa's workforce training programs have evolved from a business expansion incentive tool into a comprehensive, targeted human resource tool available to all Iowa businesses. The mission of Iowa Department of Economic Development Workforce Development initiative is: to work in partnership with public/private service providers and other state agencies to actively promote Iowa's preeminence in new employee training, incumbent worker preparation, lifelong learning, and development and expansion of the state's labor pool to enhance the state's businesses' competitiveness, thus keeping companies located in Iowa and raising the wages of Iowa workers. Iowa's industry-driven workforce development programs and services enhance Iowa's economic well being by increasing the skills of an already productive Iowa workforce.

Model Project: Northeast Iowa Community College and Company A have teamed up through the 260E Iowa New Jobs Training fund to offer advanced training for their new employees. Company A has used these funds to enroll new hires in computer software applications training and provide extensive training in LEAN manufacturing. LEAN has helped this plant become a leader in productivity for its corporate parent, capturing a large share of its domestic market. LEAN is helping them focus on workplace organization and inventory control and reduction and they are very pleased with the results.

Iowa was the first state to use bonds to finance training for new and expanding businesses. The bonds, sold under the Iowa Industrial New Jobs Training Program, known as the 260E program, are repaid from state income taxes generated by the new jobs. Local community college districts sell bonds to finance the cost of training. The bonds, which are exempt from federal taxes, are repaid by diverting between 1.5 and 3.0 percent of wages that would otherwise be paid as state income tax by the workers in the new jobs from the state general fund to the community college that issued the bonds. Funding per trainee ranges from about \$5,000 to \$13,000 and includes on-the-job training wage subsidies. Employers participating in the program also are eligible for a separate corporate tax credit.

Once the bonds are paid off, the diversions of income tax continue for 10 years, with money deposited into the state Workforce Development Fund, which is used primarily for incumbent worker training. Most of the money in this program, the Iowa Jobs Training program, also known as the 260F program, is allocated to local community colleges, with some held back at the state level for state initiatives and projects that involve multiple college districts. Incumbent worker funding is limited to \$25,000 per business site per year, with no more than \$50,000 per site in three years. Employer consortia also are eligible for funding.

Only manufacturers and service businesses with customers outside Iowa that are creating new jobs are eligible for either program. Colleges provide 80 percent of the training in the two programs. Companies can provide their own training or contract with a college or other vendor.

| Industrial New Jobs Training Program Iowa Jobs Training Program | |
|--|-----------------------------------|
| Year customized training funding began | 1983 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 90% |
| Percent of money to incumbent workers | 10% |
| Source of Money | Bonds |
| Average per trainee | \$13,000 New jobs; \$1,200 Inc. |
| Maximum per trainee | N.A. |
| Average per project | \$400,000 New jobs; \$16,000 Inc. |
| Maximum per project | None New jobs; \$25,000 Inc. |
| Agency that administers program | Dept. of Economic Development |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | Yes |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 7,455 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | Yes |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 28 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------------|
| 1989 | \$28,749,043 |
| 1990 | \$27,719,385 |
| 1991 | \$26,716,489 |
| 1992 | \$26,061,097 |
| 1993 | \$25,483,141 |
| 1994 | \$24,946,832 |
| 1995 | \$25,898,590 |
| 1996 | \$20,303,361 |
| 1997 | \$53,246,777 |
| 1998 | \$50,516,788 |
| 1999 | \$40,989,316 |
| 2000 | \$50,399,032 |
| 2001 | \$50,442,773 |
| 2002 | \$39,328,307 |
| 2003 | \$32,065,629 |
| 2004 | \$32,119,796 |
| 2005 | \$63,513,556 |
| 2006* | \$62,295,287 |
| *Estimate | |
| Finance Summary | |
| Per Capita 05-06 | \$42.48 |
| Per Capita Rank | 1 |
| Dollar Rank | 1 |
| | |
| 15-Year Per Capita Trend | |
| Down | Up |

Iowa Department of
Economic Development
200 East Grand Avenue
Des Moines, IA 50309
515-242-4700
www.iowalifechanging.com

Kansas

KIT, KIR, IMPACT

Description: *Kansas 1st [which is a new state initiative that includes KIT, KIR and IMPACT] is about jobs for Kansans and skilled employees for employers. The Kansas 1st initiative links our post-secondary schools with state and federally funded workforce training and labor exchange programs to form a seamless, integrated workforce development system that is responsive and relevant to employers. Kansas 1st revolutionizes the way that Kansas provides workforce development programs and services for employers and job seekers. Through Kansas 1st, community colleges and technical colleges will deliver more training for employers and job seekers will have improved access to career oriented positions with employers. The result: We provide qualified employees for any employer anywhere in Kansas.*

Kansas is reorganizing workforce and economic development programs into its Kansas 1st initiative that is beginning to deliver training services through regional response teams, not separate programs. At the same time the state's customized training programs (KIT and KIR) are changing from programs that make grants to business to "combo" programs that include both grants and training services provided through the two-year college system. The state is building capacity within the two-year system to meet employer training demands and has shifted money to capacity building grants to the colleges.

Kansas Industrial Training (KIT) is a new hire program for new and expanding businesses that funds pre-employment and on-the-job training. Kansas Industrial Retraining (KIR) is an incumbent worker program for persons who are likely to be displaced because of obsolete or inadequate job skills and knowledge. For both programs jobs must pay at least \$8.50 per hour in urban counties and \$8 in rural counties. Investments in Major Projects and Comprehensive Training (IMPACT) is for major economic development projects that involve at least 100 new jobs or retention of at least 250 existing jobs. IMPACT projects are funded through general obligation bonds that are paid back from a portion of the withholding taxes paid by the businesses served. KIT and KIR are financed by state lottery funds. In addition to training, IMPACT money can be used for capital expenses associated with a relocation or expansion.

Most training is for manufacturers, with additional training in 2004 and 2005 for corporate headquarters, software companies, distribution centers, a delivery company, a regional printer, engineering companies, an office supply retailer, call centers, an energy management company, construction companies, an IT consulting company, and others.

Since 1999 the underlying KIT and KIR budgets have been stable at \$3 million to \$3.6 million per year, but the total budget has been as high as \$33 million for special IMPACT projects.

| KIT, KIR, IMPACT | |
|---|----------------------------|
| Year customized training funding began | 1973 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 60% |
| Percent of money to incumbent workers | 40% |
| Source of Money | Lottery Funds, Bonds |
| Average per trainee | KIT \$800; KIR \$400 |
| Maximum per trainee | \$2,000 |
| Average per project | KIT \$38,000; KIR \$27,000 |
| Maximum per project | N.A. |
| Agency that administers program | Commerce |
| Does the program fund consortia training? | No |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | Yes |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 5,600 |
| Who is the client? | Business and job seekers |
| Recruitment and screening funded? | Yes |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | No |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | N.A. |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------------|
| 1989 | \$3,881,121 |
| 1990 | \$4,573,698 |
| 1991 | \$4,274,638 |
| 1992 | \$5,941,930 |
| 1993 | \$10,766,627 |
| 1994 | \$5,363,569 |
| 1995 | \$5,375,179 |
| 1996 | \$10,463,920 |
| 1997 | \$14,961,262 |
| 1998 | \$11,010,756 |
| 1999 | \$4,423,062 |
| 2000 | \$37,161,300 |
| 2001 | \$3,960,492 |
| 2002 | \$3,888,318 |
| 2003 | \$12,004,731 |
| 2004 | \$15,017,285 |
| 2005 | \$14,711,422 |
| 2006 | \$17,453,391 |
| Finance Summary | |
| Per Capita 05-06 | \$13.14 |
| Per Capita Rank | 6 |
| Dollar Rank | 12 |
| 15-Year Per Capita Trend | |
| Down | Up |

Kansas Department of
Commerce
1000 S.W. Jackson Street,
Suite 100
Topeka, Kansas 66612
785-296-3339
www.Kdoch.state.ks.us

Kentucky

Bluegrass State Skills Corporation

Description: *The Bluegrass State Skills Corporation (BSSC) was established in 1984 by the General Assembly of the Commonwealth of Kentucky as an independent, de jure corporation to stimulate economic development through customized business and industry-specific skills training programs. The BSSC works with business and industry and Kentucky's educational institutions to establish programs of skills training.... The purpose of the BSSC is to improve and promote employment opportunities for the residents of the Commonwealth through agreements for skills training programs.*

Bluegrass State Skills Corporation administers direct-to-employer grants and tax credits for new and incumbent workers. The programs are administered by an independent public-private board financed through the state general fund and overseen by the Kentucky economic development office. Manufacturers, service companies that derive a majority of their income from outside the state, and public or non-profit hospitals are eligible for the grant program. In addition, the program funds consortia of at least three employers. Consortia must be industry-driven and managed by an industry board. BSSC also funds "capacity-building" programs for educational institutions.

Trainees generally must earn at least \$8 per hour. BSSC has a special program for "workplace essential skills, which includes basic communication, math, computer, and team skills. If a company receives a BSSC grant and then reduces its workforce or fails to add as many jobs as promised, the state will cut the company grant proportionate to the cuts in employment.

Applications are rated on a scoring system that gives priority to small employers, consortia projects, high wages, new hires, companies in "areas of need," and other factors. Special rules, including higher project amounts, apply to high profile economic development projects. Employers must match BSSC money dollar-for-dollar. The grant program budget has been \$3 million a year since 2000.

The Skills Training Investment Credit Act, enacted in 1998, provides employers with a tax credit against their income tax liability for training certified by the BSSC. The credit is capped at \$500 per person trained and \$100,000 per company every two years. Total tax credits awarded are capped at \$2.5 million per year. Companies in manufacturing, agricultural and forestry processing, telecommunications, health care, research, engineering, tool & die, machine technology, mining, tourism, and freight transportation are eligible. Retailers are excluded. At least 30 percent of credits must go to "high performance companies" that have recognized quality programs like ISO or Six Sigma.

| Bluegrass State Skills Corporation | |
|---|-----------------------------------|
| Year customized training funding began | 1984 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | N.A. |
| Percent of money to incumbent workers | N.A. |
| Source of Money | General fund |
| Average per trainee | \$200 |
| Maximum per trainee | Tax crdt \$500; Grant \$2,000 |
| Average per project | Tax crdt \$65,000; Grant \$25,000 |
| Maximum per project | Tax credit \$100,000; Grants |
| Agency that administers program | Economic Development |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 28817 |
| Who is the client? | Business and Industry |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | Yes |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 7 |

Summary of self-reports by program on level of involvement

| | | | |
|---|------------|---------------|-------------|
| Employers for whom training is provided | Low | Medium | High |
| Community/Technical colleges | Low | Medium | High |
| Economic development groups | Low | Medium | High |
| Employer associations | Low | Medium | High |
| Unions | Low | Medium | High |
| One-stop centers | Low | Medium | High |
| Eligible training provider list | Low | Medium | High |
| Labor market information | Low | Medium | High |
| Local Workforce Investment Boards | Low | Medium | High |
| State Workforce Investment Board | Low | Medium | High |

Assessment of organizational links

| | | | |
|--------------------------|------------|--------|-------------|
| Economic Development | Low | Medium | High |
| Community College | Low | Medium | High |
| Workforce Investment Act | Low | Medium | High |

Budget in 2006 Dollars

| | |
|------|--------------------|
| 1989 | \$4,181,548 |
| 1990 | \$7,164,075 |
| 1991 | \$7,209,444 |
| 1992 | \$3,327,937 |
| 1993 | \$4,179,872 |
| 1994 | \$4,365,696 |
| 1995 | \$4,275,711 |
| 1996 | \$5,788,118 |
| 1997 | \$3,039,374 |
| 1998 | \$5,506,542 |
| 1999 | \$3,560,277 |
| 2000 | \$4,504,400 |
| 2001 | \$6,050,752 |
| 2002 | \$5,940,485 |
| 2003 | \$5,835,265 |
| 2004 | \$5,721,524 |
| 2005 | \$5,607,560 |
| 2006 | \$5,500,000 |

Finance Summary

| | |
|------------------|---------------|
| Per Capita 05-06 | \$3.05 |
| Per Capita Rank | 28 |
| Dollar Rank | 26 |

15-Year Per Capita Trend

| | |
|------|-----------|
| Down | Up |
|------|-----------|

Cabinet for Economic
Development
500 Mero Street
Capital Plaza Tower 23rd
Floor
Frankfort, Kentucky 40601
502-564-2021

Louisiana

Incumbent Worker Training Program (IWTP) Workforce & Training Program (WTP)

Description: *The Incumbent Worker Training Program (IWTP) is a partnership between the Louisiana Department of Labor, business and industry, and training providers. The IWTP is designed to benefit business and industry by assisting in the skill development of existing employees and thereby increasing employee productivity and the growth of the company. These improvements are expected to result in the creation of new jobs, the retention of jobs that otherwise may have been eliminated, and an increase in wages for trained workers.*

Best Practice: *Flexibility*

The Incumbent Worker Training Program is funded by a UI off-set tax. The program, which began operating in 1999, is one of the broadest and best-funded in the country, even after hurricane Katrina devastated large parts of the state and slowed tax collections. It is open to single employers and consortia. All for-profit service and manufacturing employers are eligible as long as they pay the tax that supports the program. Training can be provided to prevent job loss due to obsolete skills, technological change, national or global competition or generally to update job skills. Training of incumbent workers can also be used to support job creation projects.

Employers are free to select public or private training vendors, or provide training with their own employees, although preferential consideration goes to companies that select public providers. Three-party contracts are written among the state, the employer and the training provider. Company trainers are allowed; however, employers must select a primary training provider who is responsible for the oversight of all training, including that training conducted by company trainers. Community and technical colleges provide about 40 percent of all training. The program convenes annual meetings with business and political leaders to examine training needs and priorities.

IWTP offers a special fast track program for companies with fewer than 50 employees to pay up to \$3,000 per person for tuition and books for training offered by public schools and trade associations. The small business program also funds training provided by manufacturers on new equipment or computers.

Louisiana has a separate program operated by the Department of Economic Development, primarily for new and expanding industry. This program, created in 1996-97 and currently funded at \$2.5 million annually, is for companies adding at least 10 new jobs. It can also support limited incumbent worker training for employers that have been in Louisiana for less than three years that are not eligible for the Incumbent Worker Training Program. Both pre-employment and post employment training are funded. Retailers, trucking companies, lodging, hospitality, assisted living, nursing homes, and retirement communities are not eligible for funding.

| Incumbent Worker Training Program (IWTP) Workforce & Training Program (WTP) | |
|--|-------------------------------|
| Year customized training funding began | 1960s |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 5% (all WTP) |
| Percent of money to incumbent workers | 95% (all IWTP) |
| Source of Money | UI off-set tax & General Fund |
| Average per trainee | IWTP \$1,000; WTP \$2,000 |
| Maximum per trainee | N.A. |
| Average per project | N.A. |
| Maximum per project | 10% of annual budget for IWTP |
| Agency that administers program | IWTP Labor; WTP Econ Develop |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 36,000 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | IWTP no; WTP yes |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | No |
| Number of program staff | 31 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------------|
| 1989 | \$1,149,962 |
| 1990 | \$1,108,775 |
| 1991 | \$1,068,660 |
| 1992 | \$1,303,055 |
| 1993 | \$1,274,157 |
| 1994 | \$997,873 |
| 1995 | \$855,142 |
| 1996 | \$839,031 |
| 1997 | \$8,599,780 |
| 1998 | \$8,729,457 |
| 1999 | \$8,616,354 |
| 2000 | \$64,187,700 |
| 2001 | \$62,707,796 |
| 2002 | \$63,959,705 |
| 2003 | \$56,230,733 |
| 2004 | \$37,805,777 |
| 2005 | \$44,980,320 |
| 2006 | \$44,137,783 |
| Finance Summary | |
| Per Capita 05-06 | \$21.71 |
| Per Capita Rank | 3 |
| Dollar Rank | 3 |
| 15-Year Per Capita Trend | |
| Down | Up |

IWTP
 Department of Labor
 P.O. Box 94094
 3rd Floor Annex Building
 Baton Rouge, LA 70804
 225-342-7634
www.laworks.net

WTP
 Department of Economic
 Development
 P.O. Box 94185
 Baton Rouge, LA 70804
 225-342-5375
www.lded.state.la.us

Maine

Governor's Training Initiative Maine Quality Centers

Description: *Encouraging the creation and expansion of high-quality jobs in Maine is a top priority.... Maine's DECD and Department of Labor have joined forces to provide Maine's workforce with the best possible training programs. Their joint Governor's Training Initiative program develops and coordinates training for firms intending to expand or locate in Maine, reorganize a workplace to remain competitive, or upgrade worker skills. Eligible businesses may receive reimbursements for on-the-job training, competitive retooling, assessment, job-task analysis, workplace safety and literacy, specialized recruitment, high-performance skills, or customized technical training.*

Model Project: *"We needed to get some skilled operators, technicians, and engineers trained fairly quickly. The State worked with us and put together a two-year technical curriculum that trained people to work in a semiconductor factory like ours. It was one of the major reasons why this site was chosen over Texas," a company representative said.*

The Governor's Training Initiative is a centrally-administered grant program for businesses that are expanding or retraining incumbent workers to sustain or enhance their competitive position. Private sector employers are eligible if they pay wages equal to at least 85 percent of the prevailing occupational wage for their local labor market and provide health insurance for their employees. Incumbent worker training generally is eligible for reimbursement if it is "non-routine competitive skills training." The program is jointly administered by the Departments of Labor and Economic and Community Development. The program's 2005-06 budget is \$1,819,000, less than half its peak funding five years ago.

The Maine Quality Centers program offers training to new and expanding businesses through the state community college system. Training is offered to individual companies and consortia of small businesses that are adding employees. The program is administered locally through the state's seven community colleges. Recruitment, screening, assessment, and training services are provided. The program is open to companies adding at least eight new full time jobs with benefits. Training can be arranged at company sites and the program prides itself on helping businesses, especially small businesses, adapt to change. The program's 2005-06 budget is \$760,000, about half its peak funding level in 1999-00.

The programs coordinate with each other, but are operated separately. Program operators say overall funding is declining because Maine's population is declining, with the labor force in 2005 7.5 percent smaller than in 1999.

| Governor's Training Initiative (GTI) Maine Quality Centers (MQC) | |
|---|-------------------------------------|
| Year customized training funding began | 1993 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 50% |
| Percent of money to incumbent workers | 50% |
| Source of Money | General Fund |
| Average per trainee | GTI new \$900; Inc. \$500; MQC N.A. |
| Maximum per trainee | GTI \$3,000; MQC N.A. |
| Average per project | N.A. |
| Maximum per project | N.A. |
| Agency that administers program | GTI Labor & Cmrc; MQC Com College |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | GTI No; MQC Yes |
| Does the state contract for training? | GTI Yes; MQC No |
| Does the state provide training services? | GTI No; MQC Yes |
| Can employers select any training provider? | GTI Yes; MQC No |
| Trainees 2004-05 | 2,000 |
| Who is the client? | Business and individuals |
| Recruitment and screening funded? | GTI No; MQC Yes |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | GTI Yes; MQC No |
| English as a second language training | Yes |
| Basic literacy training | GTI Yes; MQC No |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 4 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$718,726 |
| 1990 | \$0 |
| 1991 | \$0 |
| 1992 | \$0 |
| 1993 | \$0 |
| 1994 | \$2,494,683 |
| 1995 | \$2,443,263 |
| 1996 | \$3,835,572 |
| 1997 | \$3,769,767 |
| 1998 | \$3,724,568 |
| 1999 | \$3,676,311 |
| 2000 | \$6,105,714 |
| 2001 | \$5,634,901 |
| 2002 | \$4,925,202 |
| 2003 | \$4,381,753 |
| 2004 | \$2,730,727 |
| 2005 | \$2,629,436 |
| 2006 | \$2,579,000 |
| Finance Summary | |
| Per Capita 05-06 | \$4.10 |
| Per Capita Rank | 23 |
| Dollar Rank | 37 |
| 15-Year Per Capita Trend | |
| Down | Up |

Maine Quality Centers
Center for Career Development,
SMCC
2 Fort Rd.
South Portland, ME 04106
207-67-5210
www.mccs.me.edu

Governor's Training Initiative
Bureau of Employment Services
55 State House Station
Augusta, Maine 04333
207-624-6390
www.mainecareercenter.com

Maryland

Partnership for Workforce Quality (PWQ) Maryland Industrial Training Program (MITP)

Description: *PWQ provides matching skill training grants and support services targeted to improve the competitive position of small and mid-sized manufacturing and technology companies. PWQ grants are used to increase the skills of existing workers for new technologies and production processes, improve employee productivity and increase employment stability. PWQ matching grants are made directly to companies as well as to manufacturing, software industry and ISO 9000 consortia programs.... The Maryland Industrial Training Program (MITP) works with other state and local agencies to provide a seamless process for the recruitment, assessment, and placement of new employees with participating companies. The program works through local business expansion teams to assure that qualified workers are made available to new or expanding businesses.*

Best Practices: *Partnerships for business development, not just training, to coordinate overall assistance, including help from community colleges.*

Maryland's Department of Business and Economic Development operates side-by-side programs for incumbent workers and economic expansion. Both are direct-to-employer grant programs.

The economic development program, MITP, provides funds for new and expanding companies. Funding is based on the number of positions created or retained, salary and benefit levels, and the area of the state where they are expanding. To retain state funds the company must meet its commitment to create and retain a specific number of new jobs for a specified period. If the company fails to meet its promises, the state can invoke a "claw-back" provision and seek return of its subsidies.

PWC, the incumbent worker program, supported three major consortium projects in 2005: the Maryland ISO Consortium Program, the Maryland World Class Manufacturing Consortium, and the Maryland Software Industry Consortium. The manufacturing consortium is a nonprofit organization with 60 member companies, mostly small and mid-sized manufacturers. The stated goal of the group is to "identify and make available to members world class practitioner resources while developing the criteria, measurements, training and implementation assistance by which companies can become World Class Manufacturers."

Community colleges provide a substantial portion of training for both programs. Demand for money is much greater than supply, so the program limits individual grant amounts. The program operator believes there is a substantial amount of follow-on training generated, especially through community college contacts.

| Partnership for Workforce Quality (PWQ) and Maryland Industrial Training Program (MITP) | |
|--|---------------------------|
| Year customized training funding began | Mid 70's |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 65% |
| Percent of money to incumbent workers | 35% |
| Source of Money | General fund |
| Average per trainee | PWQ \$2,000; MITP \$2,000 |
| Maximum per trainee | PWQ \$2,000; MITP \$2,000 |
| Average per project | PWQ \$25,000; MITP N.A. |
| Maximum per project | N.A. |
| Agency that administers program | Commerce |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 9,000 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | No |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | No |
| Number of program staff | 3 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$1,013,404 |
| 1990 | \$1,039,477 |
| 1991 | \$2,158,692 |
| 1992 | \$1,305,531 |
| 1993 | \$1,180,807 |
| 1994 | \$1,200,274 |
| 1995 | \$1,980,570 |
| 1996 | \$4,392,929 |
| 1997 | \$7,743,336 |
| 1998 | \$8,924,997 |
| 1999 | \$10,454,509 |
| 2000 | \$12,140,111 |
| 2001 | \$11,437,720 |
| 2002 | \$10,638,869 |
| 2003 | \$7,320,605 |
| 2004 | \$5,846,272 |
| 2005 | \$3,875,805 |
| 2006 | \$3,811,718 |
| Finance Summary | |
| Per Capita 05-06 | \$1.47 |
| Per Capita Rank | 41 |
| Dollar Rank | 31 |
| 15-Year Per Capita Trend | |
| Down | Up |

Department of Business and Economic Development
217 East Redwood St.
Baltimore, MD 21202
410-767-0511
www.choosemaryland.org

Massachusetts

Massachusetts Workforce Training Fund

Description: *The mission of the Workforce Training Fund is to provide applicants with the resources to invest in the Massachusetts workforce and improve employee skills, and to maintain the economic strength and viability of the Commonwealth's businesses. The Fund's major focus is on small to medium-sized businesses that would not be able to make this investment without the assistance of the Fund. The following priorities reflect the Workforce Training Fund's major focus: (1) Projects that will result in job retention, job growth, or increased wages. (2) Projects where training would make a difference in the company's productivity, competitiveness, and ability to do business in Massachusetts. (3) Projects where the applicant or partner(s) has made a commitment to provide significant private investment in training for the duration of the grant and after the grant has expired.*

Model Project: *"When we decided to move the production and administrative offices of our 15-year-old company from New York City to Cambridge, MA last year, the greatest obstacle we faced was attracting qualified staff....The two [Workforce Training Fund] Hiring Incentive Grants we received gave us the resources to train staff in the critical production, administrative and technical skills necessary to do their jobs."*

The program, funded by a UI off-set tax equal to .075 percent of wages up to \$14,000, was enacted in 1998. Prior to that Massachusetts had a smaller, general fund program. The main program generally funds contracts up to \$250,000, with new authority in 2005 to fund contracts up to \$1 million. Applications are accepted in funding "rounds" scheduled about three times a year. The Workforce Training Fund is a large contracting program that does not provide direct training.

Reimbursements are calculated from a budget that may include most training costs, except for trainee wages. Employers may provide their own training or select a public or private training vendor. Contracts last up to two years and must be matched dollar-for-dollar. Applications are reviewed by an advisory panel consisting of business and labor representatives. Grants are awarded to single employers, employer organizations and training providers.

Community colleges provide about 20 percent of training. Most training is supported, but the program will not fund training that is in progress when an application is received. Local workforce investment boards and an advisory board help review projects.

The Workforce Training Fund also sets aside money for these special programs: (1) The Express program for businesses with 50 or fewer employees that can receive up to \$3,000 per trainee and up to \$15,000 per business within 12 months to buy courses from a list of pre-approved training providers. Up to \$1 million is available and employers must pay half the tuition cost. (2) Hiring Incentive Training Grant Program for up to \$2,000 per person to hire and train laid off workers for new jobs. Employers can receive no more than \$30,000 in a year. \$3 million is set aside for this program. (3) Technical assistance grants to enable an employer or group of employers conduct a needs assessment and plan training. Grants of \$5,000 to \$25,000 are made to associations, unions, and local workforce investment areas. (4) A \$2 million set-aside for projects that are exclusively or primarily for Adult Basic Education or English for Speakers of Other Languages.

| Workforce Training Fund | | | |
|---|-----------------------------|--------|------|
| Year customized training funding began | 1981 | | |
| New job training | Yes | | |
| Incumbent worker training | Yes | | |
| Percent of money to new jobs | 25% | | |
| Percent of money to incumbent workers | 75% | | |
| Source of Money | UI off-set tax | | |
| Average per trainee | \$650 | | |
| Maximum per trainee | No | | |
| Average per project | \$67,000 | | |
| Maximum per project | \$250,000 general limit | | |
| Agency that administers program | Workforce Development | | |
| Does the program fund consortia training? | Yes | | |
| Is the program centrally administered? | Yes | | |
| Is there a strong local or substate role? | No | | |
| Does the state contract for training? | Yes | | |
| Does the state provide training services? | No | | |
| Can employers select any training provider? | Yes | | |
| Trainees 2004-05 | 25,669 | | |
| Who is the client? | Business | | |
| Recruitment and screening funded? | No | | |
| Classroom training | Yes | | |
| On-the-Job training | Yes | | |
| CBT/web-based training | Yes | | |
| English as a second language training | Yes | | |
| Basic literacy training | Yes | | |
| Basic math training | Yes | | |
| Welfare-to-work training | No | | |
| Number of program staff | 12 | | |
| Summary of self-reports by program on level of involvement | | | |
| Employers for whom training is provided | Low Medium High | | |
| Community/Technical colleges | Low Medium High | | |
| Economic development groups | Low Medium High | | |
| Employer associations | Low Medium High | | |
| Unions | Low Medium High | | |
| One-stop centers | Low Medium High | | |
| Eligible training provider list | Low Medium High | | |
| Labor market information | Low Medium High | | |
| Local Workforce Investment Boards | Low Medium High | | |
| State Workforce Investment Board | Low Medium High | | |
| Assessment of organizational links | | | |
| Economic Development | Low | Medium | High |
| Community College | Low | Medium | High |
| Workforce Investment Act | Low | Medium | High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------------|
| 1989 | \$2,535,666 |
| 1990 | \$2,169,388 |
| 1991 | \$1,927,641 |
| 1992 | \$1,563,666 |
| 1993 | \$1,528,988 |
| 1994 | \$1,496,810 |
| 1995 | \$1,465,958 |
| 1996 | \$1,438,340 |
| 1997 | \$1,413,663 |
| 1998 | \$1,396,713 |
| 1999 | \$10,339,625 |
| 2000 | \$20,269,800 |
| 2001 | \$19,802,462 |
| 2002 | \$19,441,588 |
| 2003 | \$19,097,230 |
| 2004 | \$32,105,033 |
| 2005 | \$21,410,684 |
| 2006 | \$21,000,000 |
| Finance Summary | |
| Per Capita 05-06 | \$6.54 |
| Per Capita Rank | 12 |
| Dollar Rank | 9 |
| 15-Year Per Capita Trend | |
| Down | Up |

Dept. of Labor and
Workforce Development
Division of Career Services
19 Staniford St.
Boston, MA 02114
617-626-6440
www.detma.org

Michigan

Economic Development Job Training Program

Description: *The Economic Development Job Training (EDJT) program seeks to ensure that Michigan has the training resources to retain and attract smart businesses and people. Michigan is an active participant in maintaining a highly-trained, skilled work force. In recent years Michigan has developed trend-setting programs to deliver job training assistance to employers. The Economic Development Job Training program is a major feature of the state's economic development efforts.*

The Michigan program is an unusual hybrid between school-based and economic development-based systems. Funding decisions are made by the state's economic development corporation, but 70 percent of program funds must be allocated to community colleges. The rest of the money can be allocated to other public and private schools, nonprofits and local workforce development boards. Individual employers must be identified in the training applications and projects can serve one or more employers. Private vendors can also be hired for training. About 70 percent of the training is provided by the colleges. Employers cannot provide their own training with their own employees.

Funding priorities are advanced manufacturing, life sciences, bio-technology, and information technology. Only small businesses can use employee wages to meet the 25 per cent employer match requirement. Other businesses must show a cash or in-kind match from such activities as assessing training needs and training outcomes. Administrative costs are limited to no more than 12 percent of contract amounts. Most contracts are limited to 12 months.

The program supports four general types of training: applied academics (business math); equipment specific training; process improvement; and other technical training. Local workforce development boards review all proposals and must sign off on new hire training.

| Economic Development Job Training Program | |
|---|------------------------|
| Year customized training funding began | 1978 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 15% |
| Percent of money to incumbent workers | 85% |
| Source of Money | General Fund |
| Average per trainee | \$500 |
| Maximum per trainee | N.A. |
| Average per project | N.A. |
| Maximum per project | N.A. |
| Agency that administers program | Economic Development |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | Yes |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | No |
| Trainees 2004-05 | 20,000 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | No |
| CBT/web-based training | Yes |
| English as a second language training | No |
| Basic literacy training | No |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 6 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$56,014,635 |
| 1990 | \$54,008,449 |
| 1991 | \$52,054,407 |
| 1992 | \$33,879,426 |
| 1993 | \$33,128,083 |
| 1994 | \$49,893,664 |
| 1995 | \$48,865,264 |
| 1996 | \$40,752,954 |
| 1997 | \$40,053,771 |
| 1998 | \$36,081,757 |
| 1999 | \$34,465,415 |
| 2000 | \$33,783,000 |
| 2001 | \$33,004,103 |
| 2002 | \$32,402,647 |
| 2003 | \$12,464,125 |
| 2004 | \$10,452,705 |
| 2005 | \$9,989,613 |
| 2006 | \$9,798,000 |
| Finance Summary | |
| Per Capita 05-06 | \$2.28 |
| Per Capita Rank | 35 |
| Dollar Rank | 18 |
| 15-Year Per Capita Trend | |
| Down | Up |

Michigan Economic
Development Corporation
300 N. Washington Sq.
Lansing, MI 48913
888-522-0103
www.medic.michigan.org

Minnesota

Job Skills Partnership

Description: *The Minnesota Job Skills Partnership was created in 1983 to bolster cooperation between business and education. The program, which is offered through the Minnesota Department of Employment and Economic Development, provides matching funds to employers who commit to work with educational institutions in trying new training approaches to up skill their workforce. These funds flow directly to a college, university or other non-profit training organization that manages each training project.*

Model Project: *In order to maintain its competitive position Company A needs to update manufacturing processes with a better trained workforce that can produce high quality goods at lower costs. Absent this, there is a good possibility that the company may relocate this production facility to a plant in China. This project, designed in partnership with St. Cloud State University, will help Company A improve its workforce at all levels, from basic manufacturing operations to senior management. The training will include elements on plant layout, quality production, ergonomics, automation, diversity and leadership.*

Best Practice: *Capacity building for educational institutions because it lasts beyond a single project.*

The Minnesota program is administered by the Department of Employment and Economic Development, which contracts with training providers, not employers, for training. Although employers can select a different training provider, 90 percent of funds go to state colleges and universities. The program is largely operated and controlled by local colleges. Money may be spent for curriculum development, train-the-trainer activities, and direct instruction. Most industries are eligible except retail. The Governor and legislature appoint a board that oversees the program. Minnesota uses the Job Skills Partnership as a tool to retain business, not attract new firms, and it is a 100 percent incumbent worker program. A dollar-for-dollar employer match is required

In 2005 the program was looking at ways to expand to more pre-employment training and was seeking to use community-based organizations to train underemployed people for high skill jobs in industries like health care.

Consortia projects include a group of health care firms whose employees will receive training in lean practices and continuous improvement. A separate group of hospitals will develop an accelerated Bachelor of Science in nursing and continuing education courses for nurses and other health professionals.

| Job Skills Partnership | |
|---|-------------------------------------|
| Year customized training funding began | 1983 |
| New job training | No |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 0% |
| Percent of money to incumbent workers | 100% |
| Source of Money | General Fund |
| Average per trainee | \$500 |
| Maximum per trainee | N.A. |
| Average per project | \$150,000 |
| Maximum per project | \$400,000 |
| Agency that administers program | Employment & Economic Dev |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | Yes |
| Does the state contract for training? | No |
| Does the state provide training services? | Yes through local colleges |
| Can employers select any training provider? | No, only limited choice |
| Trainees 2004-05 | N.A. |
| Who is the client? | Educational Institutions & Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | Yes |
| Number of program staff | 6 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$3,665,503 |
| 1990 | \$3,603,520 |
| 1991 | \$3,473,144 |
| 1992 | \$1,624,909 |
| 1993 | \$1,588,874 |
| 1994 | \$2,005,725 |
| 1995 | \$1,964,384 |
| 1996 | \$5,393,773 |
| 1997 | \$5,301,234 |
| 1998 | \$8,904,047 |
| 1999 | \$9,096,572 |
| 2000 | \$18,937,624 |
| 2001 | \$18,507,601 |
| 2002 | \$9,990,816 |
| 2003 | \$9,750,197 |
| 2004 | \$7,052,840 |
| 2005 | \$6,885,064 |
| 2006 | \$6,753,000 |
| Finance Summary | |
| Per Capita 05-06 | \$2.48 |
| Per Capita Rank | 34 |
| Dollar Rank | 24 |
| 15-Year Per Capita Trend | |
| Down | Up |

Minnesota State Colleges
and Universities
Wells Fargo Place
30 7th St. East, Suite 350
St. Paul, MN 55101
651-296-8028
www.business.mnscu.edu

Mississippi

Workforce Education Program

Description: *The State of Mississippi provides custom-designed pre-employment training, post-employment training, and upgrade/re-training services for new, expanding or existing industries. These programs are available through the Workforce Education Program in conjunction with the community college system. The pre-employment training program can be conducted at the plant site, at the community/junior college campus, in a mobile unit or at another designated facility. Instructor costs are reimbursable and negotiated on an individual project basis. The length of pre-employment training is also negotiable, but typically conforms to the accepted training standard and practice of the industry. Costs for training materials in the pre-employment training program may also be reimbursed as a part of the negotiated agreement. Upon completion of the pre-employment training program, the employer has the option of choosing which candidates he wishes to retain for employment. The costs of the training programs may vary depending upon the type of training requested. The cost of each program is negotiated based on required training needs of each industry. Custom designed training manuals and multi-media training aids are available as a part of the Workforce Education Program.*

Best Practices: *Flexibility in developing relationships with business.*

In mid-2005 Mississippi expanded its customized training budget by 50 percent, increasing an already large program to the second biggest in the nation on a per capita funding basis. A new UI off-set tax took effect to fund the program in 1995 at the rate of three-tenths of one percent of the first \$7,000 in wages. Although the funding can be suspended when the state unemployment insurance trust fund falls below \$500 million, the program operator said in early 2006 that its budget seemed protected, despite the economic devastation caused by hurricane Katrina. As a result of the hurricane, the program has many requests to train construction workers in both basic and advanced skills.

The Mississippi program operates as a grant program to employers as well as a direct service provider with mobile training units ready to roll to company sites. It works aggressively to attract and retain business and funds incumbent worker training and funds consortia projects. Most training is provided by businesses themselves.

The state also has a training tax credit of up to \$2,500 per person.

Businesses can receive funding and services for job analysis, employee assessment, development of long range training plans, basic skills training, industry specific pre-employment training, employment skills training, continuous improvement training, training materials and aids. Training includes on-line classes.

The Workforce Education Program also has earmarked money for special training programs for Mississippi's auto plants.

| Workforce Education Program | |
|---|-------------------------------|
| Year customized training funding began | 1982 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 30% |
| Percent of money to incumbent workers | 70% |
| Source of Money | UI off-set tax |
| Average per trainee | \$125 |
| Maximum per trainee | N.A. |
| Average per project | \$15,000 |
| Maximum per project | N.A. |
| Agency that administers program | Community Colleges |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | Yes |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 151,385 |
| Who is the client? | Business |
| Recruitment and screening funded? | Yes |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | Yes |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 6 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------------|
| 1989 | \$2,371,796 |
| 1990 | \$2,356,148 |
| 1991 | \$2,270,902 |
| 1992 | \$1,954,582 |
| 1993 | \$2,166,067 |
| 1994 | \$1,184,975 |
| 1995 | \$1,221,632 |
| 1996 | \$8,277,644 |
| 1997 | \$5,063,268 |
| 1998 | \$5,182,970 |
| 1999 | \$6,318,659 |
| 2000 | \$16,317,094 |
| 2001 | \$16,378,622 |
| 2002 | \$22,311,626 |
| 2003 | \$20,787,539 |
| 2004 | \$19,656,039 |
| 2005 | \$19,264,519 |
| 2006 | \$27,853,750 |
| Finance Summary | |
| Per Capita 05-06 | \$24.64 |
| Per Capita Rank | 2 |
| Dollar Rank | 7 |
| 15-Year Per Capita Trend | |
| Down | Up |

State Board for Community and Junior Colleges
3825 Ridgewood Road
Jackson, MS 39211
601 432-6481
www.sbcjc.cc.ms.us

Missouri

Community College New Jobs Training Program

Customized Training Program

Job Retention Training Program

Description: *The Missouri Community College New Jobs Training Program blends a grant program with a tax credit program....Most industries are eligible, excluding retail. [The program] provides funding and training for companies creating a substantial number of new jobs. Funds are generated by sale of certificates which are retired from a portion of employer withholding from newly created jobs. [The Customized Training Program] provides funding and training for companies creating new jobs, retraining existing workers as a result of new capital investment, or introduction of new products.....Many of the companies are manufacturing, although some are information technology, biotechnology companies, headquarter operations, distribution centers or customer service operations.*

Two-thirds of Missouri's customized training money comes from special bonds that finance training for individual companies. The bonds, issued by community colleges, are re-paid from a portion of the new income tax withholding generated by that employer. The New Jobs Training Program, which was created in 1991, is used as an incentive for large location and expansion projects with at least 100 new jobs. In 2005 \$16 million was appropriated for these bonds. Total bonding is capped at \$55 million. The bonding system allows projects to be funded upfront and then repaid through lower tax payments over up to eight years. Most businesses, except retail are eligible to participate. Individual projects range from \$500,000 to \$2 million.

In 2005 the Job Retention Training Program took effect. It is a similar bond fund for incumbent worker training. Two projects used up the first year appropriation of \$5 million. Total bond issues under this program are capped at \$15 million. To participate, companies must have at least 100 employees and make a \$1 million capital investment. The two bond programs are administered by the Department of Elementary and Secondary Education and bonds are issued by local colleges.

The Missouri Customized Training Program is a business grant program with a 2005 budget of \$10.3 million. About 80 percent goes to incumbent workers; the rest to new and expanding companies. Average projects are \$40,000 and average reimbursement per trainee is about \$350. This program's budget was cut by nearly half in the previous five years in a time of general state budget cuts. This program is managed by the Department of Economic Development.

Training for all three programs can be provided by a public college or any other training provider selected by the employer. About 60 percent of training is provided by community colleges, which also administer individual projects.

In 2005 Missouri had funded 10 consortia training programs for a total of \$500,000.

| Community College New Jobs Training Program (NJTP) Customized Training Program (CTP) Job Retention Program (JRTP) | |
|--|---|
| Year customized training funding began | 1986 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 60% |
| Percent of money to incumbent workers | 40% |
| Source of Money | General Revenue and bonds |
| Average per trainee | NJTP \$3,500; CTP \$350; JRTP N.A. |
| Maximum per trainee | N.A. |
| Average per project | NJTP \$940,000; CTP \$40,000; JRTP N.A. |
| Maximum per project | N.A. |
| Agency that administers program | Econ Dev & Colleges |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | Yes |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | N.A. |
| Who is the client? | Business |
| Recruitment and screening funded? | Yes |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | No |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | No |
| Number of program staff | 6 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------------|
| 1989 | \$14,374,521 |
| 1990 | \$13,859,692 |
| 1991 | \$11,354,508 |
| 1992 | \$11,075,966 |
| 1993 | \$10,830,335 |
| 1994 | \$10,602,404 |
| 1995 | \$19,882,054 |
| 1996 | \$27,268,520 |
| 1997 | \$32,985,459 |
| 1998 | \$32,589,974 |
| 1999 | \$32,167,721 |
| 2000 | \$38,287,400 |
| 2001 | \$41,805,197 |
| 2002 | \$37,803,088 |
| 2003 | \$28,645,845 |
| 2004 | \$27,047,206 |
| 2005 | \$26,508,465 |
| 2006 | \$31,300,000 |
| Finance Summary | |
| Per Capita 05-06 | \$11.60 |
| Per Capita Rank | 8 |
| Dollar Rank | 4 |
| 15-Year Per Capita Trend | |
| Down | Up |

Department of Economic
Development
421 East Dunklin St.
P.O. Box 1087
Jefferson City, MO 65102
573-526-8271
www.ded.mo.gov

Montana

Primary Sector Workforce Training Grant

Description: *The Primary Sector Workforce Training Grant (WTG) program is a state-funded program that was moved from the Governor's Office to the Department of Commerce during the 59th Legislature and is an essential component of Governor Schweitzer's economic development plans for Montana. There is \$1.3 million available annually for this program...This program is targeted to businesses that are creating at least ten net, new jobs that pay at least the lower of the current county average wage or the state current average wage.*

The Montana program was signed into law on April 28, 2005. Prior to that Montana did not have a state-funded, customized training program. Grants are made by a seven-member committee appointed by the governor and legislative leaders to companies that are adding at least 10 new jobs.

The program is generally targeted to manufacturers and service firms that sell out of state. Hospitals are eligible in certain circumstances. Jobs must pay at least the state average (\$13.38 in 2005) or a lower county average. Health benefits may be included in the wage calculation.

Grants are generally capped at \$5,000 per person trained and businesses must provide a match of \$1 for every \$3 in state money.

| Primary Sector Workforce Training Grant | |
|--|--------------|
| Year customized training funding began | 2005 |
| New job training | Yes |
| Incumbent worker training | No |
| Percent of money to new jobs | 100% |
| Percent of money to incumbent workers | 0% |
| Source of Money | General Fund |
| Average per trainee | N.A. |
| Maximum per trainee | \$5,000 |
| Average per project | N.A. |
| Maximum per project | N.A. |
| Agency that administers program | Commerce |
| Does the program fund consortia training? | No |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 0 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | No |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | No |
| Number of program staff | 1 |

Summary of self-reports by program on level of involvement

| | | | |
|---|------------|--------|-------------|
| Employers for whom training is provided | Low | Medium | High |
| Community/Technical colleges | Low | Medium | High |
| Economic development groups | Low | Medium | High |
| Employer associations | Low | Medium | High |
| Unions | Low | Medium | High |
| One-stop centers | Low | Medium | High |
| Eligible training provider list | Low | Medium | High |
| Labor market information | Low | Medium | High |
| Local Workforce Investment Boards | Low | Medium | High |
| State Workforce Investment Board | Low | Medium | High |

Assessment of organizational links

| | | | |
|--------------------------|------------|--------|-------------|
| Economic Development | Low | Medium | High |
| Community College | Low | Medium | High |
| Workforce Investment Act | Low | Medium | High |

Budget in 2006 Dollars

| | |
|------|--------------------|
| 1989 | \$0 |
| 1990 | \$0 |
| 1991 | \$0 |
| 1992 | \$0 |
| 1993 | \$0 |
| 1994 | \$0 |
| 1995 | \$0 |
| 1996 | \$0 |
| 1997 | \$0 |
| 1998 | \$0 |
| 1999 | \$0 |
| 2000 | \$0 |
| 2001 | \$0 |
| 2002 | \$0 |
| 2003 | \$0 |
| 2004 | \$0 |
| 2005 | \$0 |
| 2006 | \$1,300,000 |

Finance Summary

| | |
|------------------|---------------|
| Per Capita 05-06 | \$3.05 |
| Per Capita Rank | 28 |
| Dollar Rank | 44 |

15-Year Per Capita Trend

| | |
|------|-----------|
| Down | Up |
|------|-----------|

Business Resources
Division
Montana Department of
Commerce
P.O. Box 200505
Helena, MT 59620
406-841-2736

Nebraska

Customized Job Training Advantage Worker Training Program

Description: Included in the [Nebraska] economic development package is the Nebraska Customized Job Training Advantage that provides a flexible and discretionary custom job training program to help ensure the State's workforce is prepared for advances in rapidly changing technology and industries....*The Worker Training Program is a business incentive program to support the retraining and upgrading of Nebraska's current workforce. Training is central to preparing Nebraskans to excel in the workplace and in marketplace today and in the future. The goal is to broaden the state's skill pool through grants for training projects that help build productivity, enhance earning capacity and job security. Training improves the quality of our goods and services and provides skills needed in today's workplaces that benefit Nebraska.*

Model Project: *Company A purchased a bankrupt firm and turned it around to keep an industry alive in Nebraska. The people who were here during the bad times are finally feeling good about themselves and the company again. Without your grant money [from the Worker Training Program], it would not have taken place so quickly, a company representative said.*

Best Practices: *Customized Job Training has a simple, three-page application and prides itself on little red tape. Its board meets weekly so it can grant quick approval for projects. The worker Training Program also promises an easy application process.*

The Customized Job Training Advantage is largely a business attraction tool operated by the Department of Economic Development. The 2005-06 budget is \$7.5 million. First priority goes to companies making location decisions. The program also funds training for other expanding companies and for incumbent worker training. In all cases a capital investment is required by the company and generally only manufacturers, distribution centers, headquarters of multi-state firms and other companies that sell to markets outside Nebraska are eligible. Incumbent workers must receive at least a 6 percent wage increase after training. Only full time frontline workers (no managers or administrators) can be trained. Reimbursement per trainee for new jobs rises with wage rates from a range of \$500 to \$1,250 (for \$7.27 jobs in rural areas) to up to \$3,000 (for \$15.16 jobs in Omaha). Incumbent worker reimbursement ranges from \$500 to \$900, depending on the percent increase in pay after training. Two-year colleges perform assessments in three out of four projects and actually provide about a third of all the training.

The Worker Training Program, enacted in 1996, is an incumbent worker program operated by the Department of Labor and funded by interest earnings from unemployment insurance funds. Interest earnings from unemployment tax collections are deposited annually in the Nebraska Training and Support Trust Fund to fund the program, which is overseen by an appointed board that meets quarterly to make funding decisions. For-profit employers, including retailers generally are eligible to participate. At least a one-to-one employer match is required and the program encourages but does not require the use of established Nebraska training providers. Community colleges provide about a third of all training.

| Customized Job Training (CJT) Worker Training (WT) | |
|---|---|
| Year customized training funding began | Early 1980's |
| New job training | CJT Yes; WT No |
| Incumbent worker training | Yes |
| Percent of money to new jobs | CJT N.A.; WT 0% |
| Percent of money to incumbent workers | CJT N.A.; WT 100% |
| Source of Money | General Fund & UI interest |
| Average per trainee | CJT N.A.; WT \$120 |
| Maximum per trainee | CJT NH \$3,000; CJT Inc. \$900; WT N.A. |
| Average per project | CJT N.A.; WT \$3,200 |
| Maximum per project | N.A. |
| Agency that administers program | CJT Econ Dev; WT Labor |
| Does the program fund consortia training? | CJT No; WT Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 14,000 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | Yes |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 3 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$251,554 |
| 1990 | \$1,074,126 |
| 1991 | \$1,035,264 |
| 1992 | \$1,009,868 |
| 1993 | \$987,472 |
| 1994 | \$835,719 |
| 1995 | \$818,493 |
| 1996 | \$922,935 |
| 1997 | \$907,100 |
| 1998 | \$2,065,972 |
| 1999 | \$3,188,051 |
| 2000 | \$2,026,980 |
| 2001 | \$2,090,260 |
| 2002 | \$2,160,176 |
| 2003 | \$1,909,723 |
| 2004 | \$1,664,443 |
| 2005 | \$1,427,379 |
| 2006 | \$8,900,000 |
| Finance Summary | |
| Per Capita 05-06 | \$9.54 |
| Per Capita Rank | 9 |
| Dollar Rank | 19 |
| 15-Year Per Capita Trend | |
| Down | Up |

Worker Training Program
550 South 16th Street
Lincoln, NE 68509
402.471-9977
www.dol.state.ne.us

Customized Job Training
Department of Economic
Development
P.O. Box 94666
Lincoln, Nebraska 68509
402-471-3111
www.nebraskaadvantage.biz

Nevada

Train Employees Now

Description: *The Nevada Train Employees Now Program provides short-term, skills based intensive job training to assist new and expanding firms to reach productivity quickly. A customized program is designed covering recruitment, hiring and job training for Nevada residents. It is the State's policy to support firms demonstrating a human-relations commitment through a meaningful wage and fringe benefit policy. Each training program is designed jointly by the firm and state agencies. Major elements of the program include the development of a job applicant list, programming, materials, and classroom training. State agencies involved are the Commission on Economic Development, the Employment Security Division and the State Job Training Office, both divisions of the Department of Employment, Training and Rehabilitation. Training providers include local community colleges, private post-secondary institutions, or others identified by the applicant.*

Best Practices: *Start-up training for a Nevada work force.*

The Train Employees Now program is a business attraction tool limited to new and expanding companies hiring at least 10 people. Wages of those trained must exceed 80 percent of the statewide or county average annual hourly wage, whichever is less. For 2005 the statewide minimum was \$16.49 per hour. Employers must also provide health benefits in order to qualify.

Classroom training is limited to 30 days. The state can pay up to 75 percent of training costs; the employer pays the remainder. If businesses that receive training money leave the state within five years, they may be required to repay the money.

Community colleges provide most of the training, with regular instructors sent for specialized training when necessary.

| Train Employees Now | |
|---|------------------------|
| Year customized training funding began | 1985 |
| New job training | Yes |
| Incumbent worker training | No |
| Percent of money to new jobs | 100% |
| Percent of money to incumbent workers | 0% |
| Source of Money | General Fund |
| Average per trainee | \$1,000 |
| Maximum per trainee | \$1,000 |
| Average per project | N.A. |
| Maximum per project | None |
| Agency that administers program | Economic Development |
| Does the program fund consortia training? | No |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 500 |
| Who is the client? | Business |
| Recruitment and screening funded? | Yes |
| Classroom training | Yes |
| On-the-Job training | No |
| CBT/web-based training | No |
| English as a second language training | Yes |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | No |
| Number of program staff | 0 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|------------------|
| 1989 | \$297,553 |
| 1990 | \$207,895 |
| 1991 | \$200,374 |
| 1992 | \$195,458 |
| 1993 | \$0 |
| 1994 | \$187,101 |
| 1995 | \$183,245 |
| 1996 | \$179,792 |
| 1997 | \$176,708 |
| 1998 | \$581,964 |
| 1999 | \$574,424 |
| 2000 | \$563,050 |
| 2001 | \$550,068 |
| 2002 | \$122,026 |
| 2003 | \$1,195,724 |
| 2004 | \$686,010 |
| 2005 | \$509,778 |
| 2006 | \$500,000 |
| Finance Summary | |
| Per Capita 05-06 | \$0.41 |
| Per Capita Rank | 46 |
| Dollar Rank | 47 |
| 15-Year Per Capita Trend | |
| Down | Up |

Commission on Economic
Development
108 E. Proctor Street
Carson City, NV 89701
775-687-4325
www.expand2nevada.com

New Hampshire

No State-Funded Program

In 2005 New Hampshire had no state-funded customized training program. In the 2001-02 fiscal year the state had \$1,000,000 from a UI off-set tax for customized training, primarily for incumbent workers, called the Job Training Program for Economic Growth. The program was operated through the two-year college system and limited to companies that paid into the unemployment insurance fund. Companies were eligible for up to \$50,000 in grant funds. Community colleges provided the largest part of the training, but private vendors also were eligible to act as trainers.

The law creating the training tax provided that it would NOT be collected if the unemployment insurance fund balance dropped below \$275 million for two consecutive quarters. Since 2002 the fund balance has been lower than the statutory threshold and the program has not been funded.

The \$1,000,000 appropriation for the 2001-02 fiscal year was the only appropriation for state-funded customized training in New Hampshire during the period covered by this report.

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New Jersey

Customized Training

Description: *The Customized Training program was established in 1992 and is a powerful economic development tool designed to create and retain high-skill, high-wage private sector jobs in New Jersey as a means to ensure a productive, globally competitive workforce. While manufacturing remains a targeted industry for assistance through Customized Training, other industry sectors that demonstrate significant job growth or are facing critical retention issues will be considered. In today's economy, trained and effective workers can mean the difference between a competitive business and an extinct business. The Customized Training initiative is a component of the Workforce Development Partnership program and is funded by a small allocation from employers and workers.*

Model Project *Company A is a manufacturer of airline safety equipment. In spite of lucrative incentives offered by other states, the Company has chosen to stay in New Jersey and credits the Customized Training program as one of the primary reasons for doing so. The company has achieved outstanding growth in market share in our industry and has made significant improvements in the organization since receiving customized training grants that have combined classroom, on-the-job, and computer-based self-learning courses. The company credits much of its success to the NJDOL-funded training programs, according to a company representative.*

Best Practices: *Flexibility*

New Jersey has a large, UI off-set funded program that supports both new job and incumbent worker training. The program is centrally operated at the state level and contracts with employers, employer associations, unions, educational institutions and community-based organizations. The tax that supports the program equals 0.16 percent of wages up to \$25,600 per year. Employers pay three-fourths of the tax and workers pay the rest. The current tax and program, which replaced a smaller general fund program, started in 1992. The tax funds customized training and other state programs.

The program is used to attract and retain business, with an emphasis on manufacturing, (including high technology and pharmaceuticals), logistics, and telecommunications. Unlike most states, New Jersey also will fund retailers to support upgrade training and other special initiatives. Within the Customized Training Program New Jersey offers special training in literacy and basic skills to help workers advance and help employers gain needed skilled workers.

The program has a new online application and contract administration system. New Jersey is highly flexible and will fund all training delivery systems, and all types of training, from technical skills to basic skills. Consortia projects are funded, mostly for smaller employers.

| Customized Training | |
|---|-------------------------------|
| Year customized training funding began | 1978 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | N.A. |
| Percent of money to incumbent workers | N.A. |
| Source of Money | UI off-set tax |
| Average per trainee | \$580 |
| Maximum per trainee | N.A. |
| Average per project | \$100,000 |
| Maximum per project | N.A. |
| Agency that administers program | Labor & Workforce Development |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 61,000 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | Yes |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 29 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------------|
| 1989 | \$2,943,902 |
| 1990 | \$2,771,938 |
| 1991 | \$2,671,649 |
| 1992 | \$2,280,346 |
| 1993 | \$25,483,141 |
| 1994 | \$23,575,754 |
| 1995 | \$23,821,816 |
| 1996 | \$21,095,647 |
| 1997 | \$27,448,614 |
| 1998 | \$26,188,372 |
| 1999 | \$22,976,943 |
| 2000* | \$22,522,000 |
| 2001* | \$22,002,735 |
| 2002 | \$19,441,588 |
| 2003 | \$19,097,230 |
| 2004 | \$33,913,035 |
| 2005 | \$27,018,244 |
| 2006 | \$28,700,000 |
| *Estimate | |
| Finance Summary | |
| Per Capita 05-06 | \$7.04 |
| Per Capita Rank | 11 |
| Dollar Rank | 6 |
| 15-Year Per Capita Trend | |
| Down | Up |

New Jersey
Department of Labor
and Workforce
Development
Office of Customized
Training
P.O. Box 933
Trenton, NJ 08625
609-292-2239
www.nj.gov/labor

New Mexico

Job Training Incentive Program

Description: *New Mexico has one of the most aggressive training incentive packages in the country. The Job Training Incentive Program (JTIP) funds classroom and on-the-job-training for newly created jobs in expanding or relocating businesses for up to six months. The program reimburses 50 to 70 percent of employee wages and required travel expenses. Custom training at a New Mexico public educational institution may also be covered.*

Best Practices: *Flexibility, responsiveness, and ease of use.*

The New Mexico program is a well-funded, targeted, economic development incentive tool. Only non-retail service companies that earn at least 60 percent of their revenue from outside the state and manufacturers are eligible. The company must be creating new jobs through expansion, startup, or relocation. In urban areas a company must create at least three jobs; in rural areas there is no minimum.

Jobs must be full time and year round and are generally limited to frontline workers plus a limited number of support positions. Funding decisions are made by an appointed board. In 2004-05, 57 companies used the program.

Unlike most states, New Mexico pays for trainee wages during training, most of which is on-the-job. Training hours are linked to the complexity of the job as defined by the federal Occupational Information Network system and to wages paid. Training hours range from 320 to 1,040 hours. During the training period, the program will reimburse employers for 50 to 65 percent of wages paid if the trainee completes the full training period. High wage jobs are targeted.

The program also pays for customized classroom training provided by public educational institutions, but most of the funds go to on-the-job training by employers.

Incumbent worker training was added in 2005. Funding is expected to average about \$2,000 per person. Other program details were not yet available.

Like some other states, the program suffers an accounting problem because employers fail to complete all planned training and turn money back to the state. In 2004-05 New Mexico had enough carryover and unspent money that it did not need a new appropriation.

| Job Training Incentive Program | |
|---|--------------------------------|
| Year customized training funding began | 1972 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 100% prior to 2005 |
| Percent of money to incumbent workers | New in 2005 |
| Source of Money | General Fund |
| Average per trainee | \$5,000 NH; \$2,000 inc worker |
| Maximum per trainee | None |
| Average per project | \$250,000 |
| Maximum per project | None |
| Agency that administers program | Economic Development |
| Does the program fund consortia training? | No |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 900 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | Rarely |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | No |
| Number of program staff | 4 |

Summary of self-reports by program on level of involvement

| | | | |
|---|------------|--------|-------------|
| Employers for whom training is provided | Low | Medium | High |
| Community/Technical colleges | Low | Medium | High |
| Economic development groups | Low | Medium | High |
| Employer associations | Low | Medium | High |
| Unions | Low | Medium | High |
| One-stop centers | Low | Medium | High |
| Eligible training provider list | Low | Medium | High |
| Labor market information | Low | Medium | High |
| Local Workforce Investment Boards | Low | Medium | High |
| State Workforce Investment Board | Low | Medium | High |

Assessment of organizational links

| | | | |
|--------------------------|------------|--------|-------------|
| Economic Development | Low | Medium | High |
| Community College | Low | Medium | High |
| Workforce Investment Act | Low | Medium | High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------------|
| 1989 | \$2,113,055 |
| 1990 | \$2,979,834 |
| 1991 | \$2,872,023 |
| 1992 | \$2,215,193 |
| 1993 | \$3,185,393 |
| 1994 | \$7,484,050 |
| 1995 | \$7,329,790 |
| 1996 | \$7,191,698 |
| 1997 | \$7,068,313 |
| 1998 | \$6,983,566 |
| 1999 | \$6,893,083 |
| 2000 | \$6,756,600 |
| 2001 | \$6,600,821 |
| 2002 | \$9,720,794 |
| 2003 | \$8,487,658 |
| 2004 | \$7,281,940 |
| 2005* | \$7,136,895 |
| 2006 | \$10,000,000 |
| *Estimate | |
| Finance Summary | |
| Per Capita 05-06 | \$12.43 |
| Per Capita Rank | 7 |
| Dollar Rank | 17 |
| | |
| 15-Year Per Capita Trend | |
| Down | Up |

New Mexico Economic
Development Department
1100 St. Francis Drive
Suite 1060
Santa Fe NM 87505
505-827-0300

New York

Economic Development Fund

Description: *New York State offers assistance to small and large businesses attempting to meet the challenges of creating new products, entering new markets and improving production. Empire State Development professionals can help you elevate your workforce to help it meet the highest standards. We can also assist with: training newly hired employees, linking your company with job seekers who possess the required skills, and partnering with various organizations to promote New York State as a leader in developing the best-trained workforce in the nation.*

The Economic Development Fund is a tool for the creation of new jobs and retention of existing jobs in New York. Funds can be used for training and other economic development incentives. Funds are not budgeted directly for the fund, nor are specific amounts allocated to training. Instead funds are allocated out of the department's general budget. Empire State Development, New York's economic development agency, administers the Fund.

From 2001 to 2005 Empire State Development and the New York Department of Labor jointly administered the Strategic Training Alliance Program (STRAP). The program received a single \$34 million to cover three fiscal years. STRAP projects ranged from \$1,500 to \$5 million. STRAP was designed to help industries and companies solve skill shortages, upgrade incumbent workers for high technology and other jobs, and help employers. Funds were often used as part of larger economic development incentive packages. Single employers, groups of employers and WIA boards could apply for funds. The program encouraged the use of public schools, but other training providers could be used.

| Economic Development Fund | |
|---|------------------------|
| Year customized training funding began | 1981 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | N.A. |
| Percent of money to incumbent workers | N.A. |
| Source of Money | General fund |
| Average per trainee | N.A. |
| Maximum per trainee | N.A. |
| Average per project | N.A. |
| Maximum per project | N.A. |
| Agency that administers program | Economic Development |
| Does the program fund consortia training? | No |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | N.A. |
| Who is the client? | Business |
| Recruitment and screening funded? | N.A. |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | Yes |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 11 part time |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$38,052,233 |
| 1990 | \$36,900,045 |
| 1991 | \$30,844,186 |
| 1992 | \$6,163,449 |
| 1993 | \$2,548,314 |
| 1994 | \$2,494,683 |
| 1995 | \$2,443,263 |
| 1996 | \$7,191,698 |
| 1997 | \$0 |
| 1998 | \$0 |
| 1999 | \$0 |
| 2000* | \$3,941,350 |
| 2001* | \$3,850,479 |
| 2002* | \$3,780,309 |
| 2003* | \$15,737,179 |
| 2004* | \$15,430,431 |
| 2005* | \$15,123,079 |
| 2006* | \$3,500,000 |
| *Estimate | |
| Finance Summary | |
| Per Capita 05-06 | \$0.41 |
| Per Capita Rank | 46 |
| Dollar Rank | 32 |
| 15-Year Per Capita Trend | |
| Down | Up |

Empire State Development
30 South Pearl St.
Albany, NY 12245
800-782-8369
www.empire.state.ny.us

North Carolina

New and Expanding Industry Program (NEIT)

Focused Industrial Training (FIT)

Description: *Attracting and training a skilled and motivated workforce is crucial to any new or expanding company. No state has more experience helping companies with these important issues than North Carolina. The state pioneered free, customized job training for new and expanding businesses in 1958 and continues to provide the nation's most recognized customized job training service. Helping businesses maintain their competitive edge is a primary role of the North Carolina Community Colleges and their Customized Training and Development services. This specialized workforce training program has helped build success for companies that now call North Carolina home, and contributed to the multiple rankings that list North Carolina's business climate as one of the best in the nation.*

Best Practices: *Colleges are organized to work directly with businesses.*

North Carolina's community colleges created the first customized training program in the U.S. in 1958 as a business attraction tool. Today the colleges continue to provide training to new and expanding businesses. More recently North Carolina colleges also began offering customized incumbent worker training services. Colleges provide all the training in both programs. Three to four community colleges are organized into groups for customized training, with one of the colleges in each group acting as administrator for all the training.

The New and Expanding Industry Training (NEIT) is open to companies creating 12 or more production jobs in a 12-month period in most industries except retail and other local services. Only workers involved in the direct production of goods and services and their immediate supervisors can be trained. Wage levels are important in deciding the extent of program services. The program provides job profiling and pre-employment training, development of training materials and ongoing training for expanding companies. In 2004-05 164 new and expanding companies were assisted; 12,000 people were trained.

Tax credits of \$500 to \$1,000 may be claimed by expanding companies to off-set some of the wages paid during classroom training.

Focused Industrial Training (FIT) is the main incumbent worker program. North Carolina funds training on new technology and new work processes, including lean manufacturing and Six Sigma. Incumbent worker funding was denied to companies that were cutting employment until 2005 when it began to be approved to help save remaining jobs. In 2004-05 FIT helped about 800 companies, including some that participate in consortia training, and 12,000 workers.

The program has helped establish an 80-firm biotech network with a research and development facility and a training center housed in a 90,000 square foot building. FIT will support training for this new biotech consortium.

| New and Expanding Industry Training (NEIT) Focused Industrial Training (FIT) | |
|---|-------------------------|
| Year customized training funding began | 1958 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 75% |
| Percent of money to incumbent workers | 25% |
| Source of Money | General Fund |
| Average per trainee | NEIT \$440; FIT \$270 |
| Maximum per trainee | NEIT \$2,500; FIT N.A. |
| Average per project | NEIT \$33,000; FIT N.A. |
| Maximum per project | N.A. |
| Agency that administers program | Community College |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | No |
| Is there a strong local or substate role? | Yes |
| Does the state contract for training? | No |
| Does the state provide training services? | Yes |
| Can employers select any training provider? | No |
| Trainees 2004-05 | 24,000 |
| Who is the client? | Business |
| Recruitment and screening funded? | Yes |
| Classroom training | Yes |
| On-the-Job training | Yes for NEIT only |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | Yes |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 30 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$15,002,688 |
| 1990 | \$10,849,367 |
| 1991 | \$8,014,947 |
| 1992 | \$9,258,205 |
| 1993 | \$12,291,793 |
| 1994 | \$11,974,479 |
| 1995 | \$12,949,295 |
| 1996 | \$10,188,238 |
| 1997 | \$11,780,521 |
| 1998 | \$10,242,563 |
| 1999 | \$22,747,174 |
| 2000 | \$7,875,581 |
| 2001 | \$11,039,983 |
| 2002 | \$9,175,761 |
| 2003 | \$7,282,748 |
| 2004 | \$6,970,313 |
| 2005* | \$8,506,441 |
| 2006* | \$8,343,277 |
| *Estimate | |
| Finance Summary | |
| Per Capita 05-06 | \$2.17 |
| Per Capita Rank | 37 |
| Dollar Rank | 21 |
| 15-Year Per Capita Trend | |
| Down | Up |

North Carolina Community
College System
Economic & Workforce
Development Division
5003 Mail Service Center
Raleigh, NC 27699
919-807-7000
www.nccommunitycolleges.edu

North Dakota

Workforce 20/20 and New Jobs training Program

Description: *As employers in North Dakota implement new technology and work methods, the need for highly skilled workers is increasing. Workforce 20/20 is a state-funded program that assists in meeting these demands. Since its enactment by the 1991 North Dakota Legislature, the Workforce 20/20 Training Fund has helped employers provide retraining and upgrade training to support the introduction of new technologies and work methods into the workplace. Often this results in high-wage and high-skill jobs that enhance the economy and benefit workers through increased earning potential and employment opportunities. The North Dakota New Jobs Training Program provides incentives to businesses that are creating new employment opportunities through business expansion and relocation to the state. The program provides primary sector businesses with no-cost funding to help off-set the cost of training new employees. The North Dakota New Jobs Training Program provides for the capture of the state income tax withholding generated from the new job positions that are created.*

Best Practice: *Working closely with economic development groups and employer associations.*

North Dakota operates an employer grant program and a tax increment financing program for business attraction. The grant program, Workforce 20/20, is for new and expanding companies and training for existing companies that are introducing new technologies or production methods. Training is targeted to “primary sector” businesses (manufacturing and processing industries or businesses providing services in interstate commerce), but not strictly limited to them. Projects must emphasize job and basic skills. Applications are reviewed by a committee that includes business, labor, government, economic development, and public representatives. Projects are scored based on the business need for funding, the impact of the project, clarity of the project description, coordination with other workforce training programs, the company commitment to training, and the cost effectiveness of the program.

New Jobs Training Program applicants also must be in a primary sector industry, locating or expanding in the state and must pay at least \$7.50 per hour plus benefits. Some companies obtain a commercial loan that is paid back by a portion of the income tax payments paid to the state treasury from the new jobs. Others finance the training themselves, and some arrange refundable grants from local communities or economic development groups. Funding amounts are calculated so they can be repaid over ten years based on the number to be trained, their wage rates and the amount of state income tax withholding projected. Companies must pay the state a fee equal to five percent of the project amount when the deal is signed. This bonding system accounts for about two-thirds of state spending.

The programs fund consortia training when companies share a common training need. Most training is provided by businesses for their own employees, and community colleges provide only about 25 percent of all training.

| Workforce 20/20 New Jobs Training Program (NJTP) | |
|---|---------------------------|
| Year customized training funding began | 1992 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 90% |
| Percent of money to incumbent workers | 10% |
| Source of Money | General Fund & Bonds |
| Average per trainee | 20/20 \$610; NJTP \$3,600 |
| Maximum per trainee | N.A. |
| Average per project | 20/20 \$10,000; NJTP N.A. |
| Maximum per project | N.A. |
| Agency that administers program | Job Service |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 896 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | No |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | No |
| Number of program staff | 2 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$0 |
| 1990 | \$0 |
| 1991 | \$0 |
| 1992 | \$0 |
| 1993 | \$47,781 |
| 1994 | \$115,379 |
| 1995 | \$113,001 |
| 1996 | \$1,078,755 |
| 1997 | \$1,060,247 |
| 1998 | \$1,047,535 |
| 1999 | \$1,033,962 |
| 2000 | \$2,378,191 |
| 2001 | \$2,367,568 |
| 2002 | \$3,419,596 |
| 2003 | \$2,256,199 |
| 2004* | \$1,763,923 |
| 2005* | \$1,728,788 |
| 2006* | \$1,805,781 |
| *Estimate | |
| Finance Summary | |
| Per Capita 05-06 | \$5.35 |
| Per Capita Rank | 17 |
| Dollar Rank | 40 |
| | |
| 15-Year Per Capita Trend | |
| Down | Up |

Workforce Solutions
 Job Service North Dakota
 P.O. Box 5507
 Bismarck, ND 58506
 701-328-3358
www.jobsnd.com

Ohio

Ohio Investment in Training Program Ohio Worker Guarantee Program

Description: *The Ohio Investment Training Program (OITP) provides financial assistance and technical resources for customized training involving employees of new and expanding Ohio businesses. OITP provides up to 50 percent reimbursement to fund instructional costs, materials and training-related activities. There is an emphasis on manufacturing and selected employment sectors that have significant training and capital investment related to creating and retaining jobs. OITP also supports community economic development efforts through job creation and retention. The result is increased employee productivity, improved labor/management relations and a highly skilled labor pool.*

Model Projects: *A new industrial maintenance simulation system operated by three state schools to train younger workers. A program in safety and best practices at a salt mine below Lake Erie.*

Best Practice: *A quick response to employer demands, including an electronic workbook for filing applications.*

The state's largest program is the Ohio Investment in Training Program (OITP), which provides grants for training at companies creating or retaining jobs. In addition, funds are available as an incentive for companies to invest in facilities or equipment in Ohio.

Between 1999 and 2003 reimbursement per trainee and per project was cut by about half. The reductions also brought actual spending by companies, which had been as low as 76 percent of grant amounts, close to 100 percent. In 2002 and 2003 most training expenses were incurred for training in technical processes, information technology, and maintenance. The program does not fund retailers or ongoing training. Payments are linked to wages; training for higher wage jobs can result in higher rates of reimbursement.

The \$3 million Ohio Worker Guarantee Program awarded its first grant for \$680,000 to an expanding General Dynamics facility in 2005. The program offers money to companies creating at least 100 new jobs over three years. To qualify, companies generally must pay wages equal to at least 300 percent of the federal minimum wage. Matches are required from companies and local colleges. Ohio also budgeted \$250,000 in state money for a special customized training program in the Appalachian region.

All programs are operated by the Ohio Department of Development. Two-year colleges provide about 20 percent of all training. The 2005 budget is lower than the previous year because of distortions caused by carryover funds.

| Ohio Investment in Training Program Worker Guarantee Program | |
|---|-----------------------------------|
| Year customized training funding began | 1981 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 20% |
| Percent of money to incumbent workers | 80% |
| Source of Money | General rev. & unclaimed funds |
| Average per trainee | \$375 |
| Maximum per trainee | \$1,000 |
| Average per project | \$40,000 |
| Maximum per project | N.A. |
| Agency that administers program | Development |
| Does the program fund consortia training? | No |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 53,000 |
| Who is the client? | Employer |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes, but no demand |
| English as a second language training | Yes |
| Basic literacy training | No |
| Basic math training | Yes, to prepare for higher skills |
| Welfare-to-work training | No |
| Number of program staff | 4 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------------|
| 1989 | \$20,864,618 |
| 1990 | \$19,957,957 |
| 1991 | \$18,835,125 |
| 1992 | \$13,030,548 |
| 1993 | \$12,741,570 |
| 1994 | \$12,473,416 |
| 1995 | \$12,216,316 |
| 1996 | \$10,787,547 |
| 1997 | \$10,602,469 |
| 1998 | \$10,475,349 |
| 1999 | \$14,935,013 |
| 2000 | \$20,586,234 |
| 2001 | \$20,886,730 |
| 2002 | \$12,373,945 |
| 2003 | \$13,093,820 |
| 2004 | \$13,147,647 |
| 2005 | \$26,683,727 |
| 2006 | \$17,200,000 |
| Finance Summary | |
| Per Capita 05-06 | \$3.17 |
| Per Capita Rank | 27 |
| Dollar Rank | 13 |
| 15-Year Per Capita Trend | |
| Down | Up |

Ohio Department of
Development
77 South High St.
Columbus, OH 43215
640-466-4155
www.odod.state.oh.us

Oklahoma

Training for Industry Program (TIP) & Training for Existing Industry (TEI)

Description: *It's no secret Oklahoma has the finest start-up training program in the nation. Ranked #1 in the U.S. by the founder of the Kiplinger Letter and Kiplinger Magazine, our Training for Industry Program—TIP—will deliver free, high-quality, customized training to qualifying new and expanding Oklahoma companies. The purpose of TIP is to ensure that you have a productive workforce from day one of operation. We guarantee it! TIP is administered by the Business and Industry Development Division of the Oklahoma Department of Career and Technology Education. It is delivered through a statewide network of 54 well equipped technology centers. When you decide to locate or expand your operation in Oklahoma, we will immediately begin working with you to design a start-up training program to address your specific needs. You tell us what you need and we will deliver! And, we'll phase it in over time to meet your ramp-up needs.*

Model Projects: *"Oklahoma has done a good job of meeting our needs. I've gone through the process of building plants seven times, and this is the best I've ever seen," a company representative said. "The pre-employment training has played a crucial role in our hiring process. We are extremely satisfied," said another company.*

Best Practice: *Ability to anticipate and meet industry needs.*

Oklahoma's new hire economic development and incumbent worker programs are jointly operated by the Department of Career and Technology Education, which supervises a state system of career and technology schools.

TIP, the business attraction program had a \$5 million appropriation in 2005-06; the Existing Industry Program was funded at \$1.2 million. Most of the money in both programs is allocated by formula to local districts which in turn work with employers to design customized programs. Oklahoma is a training service provider, not a contractor.

TIP is for start-up training for new and expanding companies in wealth generating industries, including manufacturing, warehouse and distribution, business services, headquarters, and research and development. Jobs must be full time and include benefits. Although limited pre-employment training can be provided, most training occurs after new employees are hired. Programs include job analysis, training needs assessment and development of instructional materials. The program also offers assessment and continuing training after startup.

TEI serves the same industries and supports upgrade training on the use of new equipment and processes, basic skills, quality, and supervision.

| Training for Industry Program (TIP) Training for Existing Industry (TEI) | |
|---|--------------------------------|
| Year customized training funding began | 1968 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 80% |
| Percent of money to incumbent workers | 20% |
| Source of Money | General Fund |
| Average per trainee | TIP \$330; TEI \$160 |
| Maximum per trainee | N.A. |
| Average per project | TIP \$30,000; TEI N.A. |
| Maximum per project | N.A. |
| Agency that administers program | Dept of Career & Technology Ed |
| Does the program fund consortia training? | No |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | Yes |
| Does the state contract for training? | No |
| Does the state provide training services? | Yes |
| Can employers select any training provider? | No |
| Trainees 2004-05 | 20,000 |
| Who is the client? | Industry |
| Recruitment and screening funded? | Yes |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | Yes |
| Basic math training | TIP Yes; EIP No |
| Welfare-to-work training | No |
| Number of program staff | 6 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$3,060,336 |
| 1990 | \$6,929,846 |
| 1991 | \$6,959,645 |
| 1992 | \$6,788,916 |
| 1993 | \$6,638,358 |
| 1994 | \$4,365,696 |
| 1995 | \$4,275,711 |
| 1996 | \$5,722,542 |
| 1997 | \$6,050,519 |
| 1998 | \$8,521,191 |
| 1999 | \$9,036,794 |
| 2000 | \$7,338,794 |
| 2001 | \$6,473,205 |
| 2002 | \$6,305,555 |
| 2003 | \$5,309,030 |
| 2004 | \$4,465,910 |
| 2005 | \$5,403,649 |
| 2006 | \$5,200,000 |
| Finance Summary | |
| Per Capita 05-06 | \$3.50 |
| Per Capita Rank | 26 |
| Dollar Rank | 27 |
| 15-Year Per Capita Trend | |
| Down | Up |

Oklahoma Department of
 Career and Technology
 Education
 1500 West Seventh Ave.
 Stillwater, OK 74074
 405-743-5547
www.okcareertech.org

Oregon

Oregon has no state-funded customized training program.

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Pennsylvania

Customized Job Training Guaranteed Free Training

Description: *The Customized Job Training (CJT) Program is a grant program designed to (1) support the needs of employers to provide customized training to their employees; and (2) promote business and educational partnership in the development and implementation of industry specific curricula.*

Best Practices: *For GFT, easy access to training by companies, a simple one-page application, and flexibility. For CJT, integration with other state agencies.*

Pennsylvania's Customized Job Training (CJT) program is an employer grant program. Guaranteed Free Training (GFT) is a college-based program. Both are funded through the Department of Community and Economic Development, which also administers CJT. Both fund training for new employees and incumbent workers. Most types of businesses are eligible for funding, except retailers. Under both programs, training vendors must guarantee that if the employer is not satisfied with the training, then the vendor will repeat the training it at no cost to the company.

Priorities for CJT funding go to training in growth industries (agribusiness, advanced manufacturing, life sciences, biotechnology, health care, environmental technology and information technology), training in an area of high unemployment or in an enterprise zone, and training for a company creating at least 50 new jobs with an investment at least \$1 million. The CJT budget for 2005-06 is \$12 million.

GFT, which started operations in 1999, is administered by the Workforce and Economic Development Network of Pennsylvania (WEDnetPA), an alliance of colleges and universities. Companies apply through a school to a central office for funding. Applications are generally accepted at the start of each fiscal year, and training must be completed during the same year. Training is capped at \$450 per trainee and \$75,000 per company, except for information technology training which is capped at \$700 per trainee and \$50,000 per company. Trainees must be frontline workers and no on-the-job training is funded. Unlike most college-based programs, employers may select a non-college trainer. Colleges and employers each provide about 20 percent of the training; third party vendors provide the remaining 60 percent. The program operator plans to emphasize a new system for training certifying providers to improve training quality. When colleges provide training they have an opportunity to establish long-term relationships with companies funded outside of the GFT program. The GFT Budget for 2005-06 is \$18 million.

| Customized Job Training (CJT) Guaranteed Free Training (GFT) | |
|---|-----------------------------|
| Year customized training funding began | 1982 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 20%* |
| Percent of money to incumbent workers | 80%* |
| Source of Money | General Fund |
| Average per trainee | CJT \$500 GFT \$170 |
| Maximum per trainee | CJT N.A. GFT \$450 to \$700 |
| Average per project | CJT \$180,000; GFT \$7,000 |
| Maximum per project | CJT N.A. GFT \$75,000 |
| Agency that administers program | Economic Development |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | CJT no; GFT yes |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | CJT 24,000; GFT 115,000 |
| Who is the client? | Employers |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | CJT yes; GFT no |
| CBT/web-based training | Yes |
| English as a second language training | CJT No; GFT Yes |
| Basic literacy training | No |
| Basic math training | CJT No; GFT yes |
| Welfare-to-work training | No |
| Number of program staff | CJT 3; GFT 4 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------------|
| 1989 | \$22,280,508 |
| 1990 | \$13,859,692 |
| 1991 | \$8,682,859 |
| 1992 | \$9,121,384 |
| 1993 | \$8,919,099 |
| 1994 | \$9,698,081 |
| 1995 | \$9,498,186 |
| 1996 | \$10,787,547 |
| 1997 | \$17,670,781 |
| 1998 | \$22,114,625 |
| 1999 | \$33,316,568 |
| 2000 | \$32,713,205 |
| 2001 | \$35,259,384 |
| 2002 | \$40,503,309 |
| 2003 | \$39,785,896 |
| 2004 | \$33,809,007 |
| 2005 | \$33,135,582 |
| 2006 | \$30,000,000 |
| Finance Summary | |
| Per Capita 05-06 | \$5.27 |
| Per Capita Rank | 18 |
| Dollar Rank | 5 |
| 15-Year Per Capita Trend | |
| Down | Up |

Department of Community
and Economic
Development
400 North Street, 4th Floor
Commonwealth Keystone
Building
Harrisburg, PA 17120
866-466-3972
www.newpa.com

WEDnetPA
2986 North Second St.
Harrisburg, PA 17110
717-720-7069
www.wednetpa.com

Rhode Island

Governor's Workforce Board

Jobs Training Tax Credit

Description: *The Board's mission is to develop, implement and support strategies that increase and improve the skill base of the workforce to meet the current and future demands of Rhode Island's businesses. In addition, the Board convenes and builds consensus among public and private stakeholders on devising policies that increase economic development opportunities within the state. In addition, the Board serves as the primary advisory body to the Governor regarding Rhode Island's federal and state workforce development programs and related system issues.*

The Governor's Workforce Board (formerly the Human Resource Investment Council) is the state Workforce Investment Board. It administers a UI off-set tax equal to .21 percent of the first \$16,000 in wages paid. The tax supports three customized training programs: (1) An economic development program (\$1.35 million) for companies locating or expanding in Rhode Island; (2) a workplace literacy program (\$1.8 million) and (3) incumbent worker grants (\$2 million). All the programs are open to for-profit employers and non-profits that pay the off-set tax.

The incumbent worker program will make matching grants of up to \$30,000 for jobs that pay at least \$10.13, or 150 percent of the state minimum wage. Employers can apply for money for any training activity "that will increase the skill base of their employees." Preference is granted to companies in these "high wage" industries: information, finance and insurance, wholesale trade, professional scientific and business services, construction, and manufacturing.

Rhode Island's single community college provides only a small amount of training.

In addition to customized training, the off-set tax supports UI and Employment Service administration and other programs.

The Board also authorizes a retraining tax credit that allows employers to deduct up to \$5,000 in training expenses per employee from their state taxes. Annual credits authorized total about \$3.2 million. The tax credit is open to most for-profit businesses, except medical, legal, accounting, and engineering offices. Persons trained generally must earn between \$20,000 and \$80,000 per year. Up to \$1,000 in trainee wages may be included in training expenses. Employers must apply to the Board for approval of a specific training plan before claiming the credit. Qualified training is defined broadly to include programs that "build the skills necessary to improve work performance."

| Governor's Workforce Board Jobs Training Tax Credit | |
|---|--------------------------------------|
| Year customized training funding began | 1988 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 15% |
| Percent of money to incumbent workers | 85% |
| Source of Money | UI off-set tax & gen fund tax credit |
| Average per trainee | N.A. |
| Maximum per trainee | N.A. |
| Average per project | N.A. |
| Maximum per project | N.A. |
| Agency that administers program | State WIB |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | N.A. |
| Who is the client? | Employers |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | No |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | Yes |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 4 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$5,749,809 |
| 1990 | \$5,543,877 |
| 1991 | \$5,343,298 |
| 1992 | \$8,111,516 |
| 1993 | \$7,020,605 |
| 1994 | \$4,989,366 |
| 1995 | \$11,483,337 |
| 1996 | \$1,797,924 |
| 1997 | \$1,767,078 |
| 1998 | \$1,163,928 |
| 1999 | \$1,378,617 |
| 2000 | \$9,402,935 |
| 2001 | \$9,186,142 |
| 2002 | \$9,018,737 |
| 2003 | \$8,858,993 |
| 2004 | \$8,686,314 |
| 2005 | \$8,513,296 |
| 2006 | \$8,350,000 |
| Finance Summary | |
| Per Capita 05-06 | \$16.93 |
| Per Capita Rank | 5 |
| Dollar Rank | 20 |
| 15-Year Per Capita Trend | |
| Down | Up |

Department of Labor and Training
1511 Pontiac Ave.
Bldg. 72-2
Cranston, RI 02910
401-462-8860
www.rihric.com

Budgets for 1999-2000 to 2005-06 include \$3.2 million in authorized tax credits. Credits can be used over a three-year period if training is completed and employers have tax liability to off-set. Actual amounts claimed by year are not available.

South Carolina

Center for Accelerated Technology Training

Description: *Training is no longer thought of as a “program” but a “learning” experience. For most employees in the 21st century it will be a lifetime learning experience. We are committed to being a part of that experience! The Center for Accelerated Technology Training focuses on the training needs of new and existing business and industry in South Carolina. We provide recruiting, assessment, training development, management and implementation services to customers who are creating new jobs with competitive wages and benefits. These services are provided through state funds at minimal or no cost and training is developed to meet the specific requirements of each customer. Training may be delivered through pre- or post-employment setting dependent on the time frames and individual needs of the company.*

Best Practices: *Training begins with a process of analysis and discovery of what the company needs. Then very specific training is developed around that analysis.*

Formerly known as the Special Schools program, the Center for Accelerated Technology Training was the second customized training program in the nation, created in 1961, even before South Carolina built permanent technical colleges. Since its founding, the program has provided direct training services for new and expanding businesses.

Staff from the Center design training based on an analysis of each company's production facilities, equipment and systems. They recruit and screen applicants. Further applicant screening can take place as part of pre-employment training. Training frequently takes place both pre- and post-employment. Training may take place at the company site or a local technical college. Instructors are selected from local colleges, vendors, and company personnel. The state also provides train-the-trainer programs to teach company employees to be instructor/coaches who can provide on-going training. A structured system is also used to design and implement post-employment on-the-job training, including job and task analysis, curriculum development, and creation of training and job aids.

Training can be provided as long as the company is adding employees. The center cannot train for attrition. Individual projects in 2003-04 ranged from 4 persons trained to more than 800. The program's expenditures are down from their peak in the mid-1990's, but operators say they have sufficient funds to meet the demand from employers for training new employees.

Program operators believe non-funded, follow-on training occurs.

Although the Center for Accelerated Technology Training does not provide incumbent worker training, South Carolina offers employers a job retraining tax credit of \$500 per employee per year for retraining costs charged by regular technical colleges. The state also encourages companies to use regular technical college system programs for incumbent worker training.

| Center for Accelerated Technology Training | |
|---|------------------------|
| Year customized training funding began | 1961 |
| New job training | Yes |
| Incumbent worker training | No |
| Percent of money to new jobs | 100% |
| Percent of money to incumbent workers | 0% |
| Source of Money | General Fund |
| Average per trainee | \$1,400 |
| Maximum per trainee | N.A. |
| Average per project | \$7,500 |
| Maximum per project | N.A. |
| Agency that administers program | Technical Colleges |
| Does the program fund consortia training? | No |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | Yes |
| Does the state contract for training? | No |
| Does the state provide training services? | Yes |
| Can employers select any training provider? | No |
| Trainees 2004-05 | 5,000 |
| Who is the client? | Business |
| Recruitment and screening funded? | Yes |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | No |
| Basic literacy training | No |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 22 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$8,480,968 |
| 1990 | \$8,177,218 |
| 1991 | \$9,083,606 |
| 1992 | \$8,860,773 |
| 1993 | \$8,154,605 |
| 1994 | \$13,471,289 |
| 1995 | \$13,437,947 |
| 1996 | \$12,660,984 |
| 1997 | \$18,339,915 |
| 1998 | \$12,451,698 |
| 1999 | \$8,811,658 |
| 2000 | \$7,882,700 |
| 2001 | \$7,700,957 |
| 2002 | \$7,560,618 |
| 2003 | \$10,584,517 |
| 2004 | \$7,444,148 |
| 2005 | \$7,216,704 |
| 2006 | \$5,000,000 |
| Finance Summary | |
| Per Capita 05-06 | \$2.76 |
| Per Capita Rank | 31 |
| Dollar Rank | 28 |
| 15-Year Per Capita Trend | |
| Down | Up |

South Carolina Technical
College System
111 Executive Center Drive
Columbia SC, 29210
803-896-5336
www.cattsc.com

South Dakota

Workforce Development Program

Description: *The South Dakota Workforce Development Program is a commitment by the State of South Dakota to extend education and training resources so that South Dakota employers will be provided with a well-trained and skilled workforce. Through matching grants, the Workforce Development Program funds industry-education partnerships through which customized training programs and short-term, job-specific training is delivered.*

Best Practices: *Companies have control over training.*

South Dakota supports both incumbent worker and new employee training. Trainees must earn at least \$8.50 per hour, and employers must show a wage increase after incumbent worker training. For all training, employers must provide a dollar-for-dollar match. Schools may apply for funding for one or more companies, but employers must remain active in projects by selecting trainees, developing training materials, overseeing training, and assessing progress.

The state encourages applicants to prepare their applications through a “coordinating agency,” which includes public schools and one-stop centers. Funding priorities are: (1) Promote the location of a new business or industry; (2) Provide an increase in wages for participating employees upon completion of the training program; (3) Provide a skill to employees that is transferable among companies and/or industries; (4) Serve communities where there is a shortage of skilled labor to meet job demands; (5) Provide program development and training for several companies within an industry with a skilled labor shortage.

Employers, schools, and outside vendors may all provide training. Two-year colleges provide only about 5 percent of the training.

The program is supported by the general fund and a UI tax off-set fund, known as the “Employer’s Investment in South Dakota Future’s Fee.” The UI off-set fee is seven-tenths of one percent of the first \$7,000 in wages paid.

| Workforce Development Program | |
|---|---------------------------------|
| Year customized training funding began | 1993 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 60% |
| Percent of money to incumbent workers | 40% |
| Source of Money | General fund and UI off-set tax |
| Average per trainee | \$633 |
| Maximum per trainee | \$3,500 |
| Average per project | \$45,000 |
| Maximum per project | \$250,000 |
| Agency that administers program | Economic Development |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 1,805 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | No |
| Basic literacy training | Yes |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 1 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$0 |
| 1990 | \$0 |
| 1991 | \$0 |
| 1992 | \$0 |
| 1993 | \$0 |
| 1994 | \$311,835 |
| 1995 | \$305,408 |
| 1996 | \$0 |
| 1997 | \$258,977 |
| 1998 | \$1,356,631 |
| 1999 | \$861,635 |
| 2000 | \$1,970,675 |
| 2001 | \$1,925,239 |
| 2002 | \$1,890,154 |
| 2003 | \$1,856,675 |
| 2004 | \$1,820,485 |
| 2005 | \$1,784,224 |
| 2006 | \$1,750,000 |
| Finance Summary | |
| Per Capita 05-06 | \$4.44 |
| Per Capita Rank | 21 |
| Dollar Rank | 42 |
| 15-Year Per Capita Trend | |
| Down | Up |

Governor's Office of
Economic Development
811 E 10th Street
Department 44
Sioux Falls, SD 57103
605-367-5340
www.sdgreatprofits.com

Tennessee

FastTrack Job Training Assistance Program Tennessee Job Skills Program

Description: *Training assistance for new and existing business and industry is available as an incentive by the State of Tennessee when associated with new investment for facilities, equipment and new job hires. FastTrack staff helps a company plan, develop and implement a customized training program that meets initial training needs with follow up to insure each phase of the training program is effective and flexible.*

Tennessee Job Skills (TJS) program is a work force incentive grant program focused on enhancing employment opportunities and meeting the needs of new and existing industry. Through training, the program shall give priority to the creation and retention of high-wage jobs. Focus is on employers and industries that promote high-skill, high wage jobs for emerging, demand, and high technology manufacturing occupations.

Best Practices: *Very rapid response and no paperwork.*

FastTrack and Tennessee Job Skills, which are operated jointly, both support training for new jobs and incumbent workers. FastTrack (known as the Industrial Training Service until 2003) is state-funded; TJS is funded with interest earned from unemployment insurance funds. The programs stress speed and customization for business clients and promise to develop programs within five business days of an initial inquiry. Multiple contracts are permitted so employers can complete longer-term training programs.

Tennessee supports pre- and post-employment training for most industries, except retail. Incumbent worker training applicants must show how skill requirements are changing. The programs target production workers, but not specific industries. Trainees must earn at least \$7 per hour.

Projects are capped at \$500,000, but most are below \$75,000. A minimum of 25 trainees is required.

| Fast Track Job Training Assistance Program Tennessee Job Skills | |
|--|------------------------------|
| Year customized training funding began | 1973 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 50% |
| Percent of money to incumbent workers | 50% |
| Source of Money | General fund and UI interest |
| Average per trainee | N.A. |
| Maximum per trainee | N.A. |
| Average per project | N.A. |
| Maximum per project | \$500,000 |
| Agency that administers program | Economic Development |
| Does the program fund consortia training? | No |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | N.A. |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | No |
| English as a second language training | No |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | No |
| Number of program staff | 7 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------------|
| 1989 | \$14,906,379 |
| 1990 | \$3,464,923 |
| 1991 | \$3,339,561 |
| 1992 | \$9,121,384 |
| 1993 | \$6,370,785 |
| 1994 | \$6,236,708 |
| 1995 | \$4,520,037 |
| 1996 | \$4,674,604 |
| 1997 | \$4,358,793 |
| 1998 | \$5,237,674 |
| 1999 | \$5,169,812 |
| 2000 | \$8,371,427 |
| 2001 | \$19,432,596 |
| 2002 | \$12,649,129 |
| 2003 | \$9,890,243 |
| 2004 | \$13,162,627 |
| 2005 | \$22,902,091 |
| 2006 | \$17,000,000 |
| Finance Summary | |
| Per Capita 05-06 | \$6.27 |
| Per Capita Rank | 14 |
| Dollar Rank | 14 |
| 15-Year Per Capita Trend | |
| Down | Up |

Department of Economic
and Community
Development
312 Eighth Avenue North,
Eleventh Floor
Nashville, TN 37243
615-741-2626
www.state.tn.us/ecd

Texas

Skills Development Fund

Description: *The Texas Workforce Commission's Skills Development Fund (SDF) is a key component of Texas' workforce and economic development strategy. The ongoing interest and support of the Governor and the Texas Legislature illustrate the importance of the SDF to Texas' economic development strategy. The fund supports the growth of Texas businesses by helping Texas workers acquire new or upgrade existing skills to advance their careers. The concept is simple. A single business or consortium of businesses works with a community or technical college to develop customized training for their workforce to close existing skill gaps. SDF grants fund the training; the college administers the grant and the training, while businesses guarantee jobs for graduates. Once developed, the curriculum can be used repeatedly—even in other communities—to ensure that Texas has a steady supply of skilled workers.*

Model Project: *To respond to global competition, Company A needed to train its Dallas engineers in CATIA 5—the international aerospace industry standard for advanced design and manufacturing software. Because local training resources were limited and cost-prohibitive, the company turned to the Skills Development Fund. In collaboration with the Dallas County Community College District, the company used a Skills Development Fund grant of \$394,156 to train 260 employees on CATIA 5. Because average annual salaries range from \$44,000 to \$77,000, the economic impact of retaining workers for these jobs and attracting new jobs is significant.*

The Skills Development Fund, created in 1995, is a college-based customized training program for new employees and incumbent workers. The Texas Workforce Commission administers the program, but nearly all training is provided by two-year colleges, which also administer projects. Community-based organizations and the Texas Engineering Extension Service may also participate in training, generally as partners of a college. Both single employer and consortia projects are supported. Colleges, businesses, and economic development offices cooperate in developing training projects.

College programs funded by the Skills Development Fund may be exempted from many state rules that impede customized training. The program operator believes Skills Development Fund training generates additional, college-based training.

The Smart Jobs program, a \$50 million-a-year grant program funded by a UI tax off-set was eliminated in 2001, a year after state auditors found “gross fiscal mismanagement.” Problems cited included inadequate monitoring and financial controls.

Effective in 2006, a UI tax off-set was reinstated, with money directed to the Skills Development Fund, and the program operator expects budgets to increase.

| Skills Development Fund | |
|---|------------------------|
| Year customized training funding began | 1970 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 20% |
| Percent of money to incumbent workers | 80% |
| Source of Money | General Fund |
| Average per trainee | \$900 |
| Maximum per trainee | N.A. |
| Average per project | \$460,000 |
| Maximum per project | N.A. |
| Agency that administers program | Workforce Commission |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Limited choice |
| Trainees 2004-05 | 12,000 |
| Who is the client? | Business |
| Recruitment and screening funded? | Yes |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | Yes |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 0 dedicated staff |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|---------------------|
| 1989 | \$1,279,332 |
| 1990 | \$2,619,482 |
| 1991 | \$2,524,708 |
| 1992 | \$2,475,804 |
| 1993 | \$2,420,898 |
| 1994 | \$3,866,759 |
| 1995 | \$5,497,342 |
| 1996 | \$67,463,125 |
| 1997 | \$90,224,272 |
| 1998 | \$77,401,189 |
| 1999 | \$76,398,337 |
| 2000 | \$37,479,840 |
| 2001 | \$12,467,772 |
| 2002 | \$13,424,570 |
| 2003 | \$13,186,788 |
| 2004 | \$12,649,470 |
| 2005* | \$12,413,553 |
| 2006* | \$20,000,000 |
| *Estimate | |
| Finance Summary | |
| Per Capita 05-06 | \$2.09 |
| Per Capita Rank | 38 |
| Dollar Rank | 10 |
| | |
| 15-Year Per Capita Trend | |
| Down | Up |

Workforce Business
 Services Department
 Workforce Development
 Division
 Texas Workforce
 Commission
 101 E. 15th Street, Room
 212-T
 Austin, Texas 78778
www.twc.state.tx.us

Utah

Custom Fit

Description: *Custom Fit is a dynamic partnership between the Utah College of Applied Technology, its college campuses, select sister institutions across the state, and the local business community. Its mission is simply to provide customized employee training. This unique program offers you, your company, and your employees the benefit of state-of-the-art training and development, customized to meet your specific needs, and does so at a cost that you can afford. How? The Utah State Legislature appropriates funds each year as an investment in Utah's economy through Custom Fit, which means your tax dollars are coming back to serve you! The Custom Fit program funds a large portion of the training costs.*

Model Project: *"We are experiencing a severe shortage of experienced coal miners, a mine representative said. "Therefore, our plan has been and will continue to hire inexperienced personnel and train them in our mining processes. This training starts with MSHA New Miner Training and advances into maintenance and electrical training. It also will include computer training, supervisory training. Mine Foreman/Fireboss training and MSHA required Annual Retraining. The Custom Fit program has been very beneficial in helping us off-set the training costs of new personnel."*

Custom Fit is operated through a system of two-year technical centers located on community college campuses. Money is allocated by formula to 10 regional centers which work directly with employers to develop customized training. Any for-profit company is eligible for training if it is new to Utah, expanding in the state, or needs upgrade training for its workers due to outdated equipment, technology or employee knowledge. Upgrade training also is funded to help companies attain government or industry certifications and prepare employees for advancement.

Companies must make a cash contribution to each project. Amounts are set locally. The program sets a minimum wage for trainees annually.

Companies select trainers from within the college system or among outside vendors. Company employees can provide training only if they are hired by a college and act as trainers outside of their regular work schedule.

| Custom Fit | | | |
|---|--------------|---------------|-------------|
| Year customized training funding began | 1982 | | |
| New job training | Yes | | |
| Incumbent worker training | Yes | | |
| Percent of money to new jobs | 40% | | |
| Percent of money to incumbent workers | 60% | | |
| Source of Money | General Fund | | |
| Average per trainee | \$180 | | |
| Maximum per trainee | \$500 | | |
| Average per project | N.A. | | |
| Maximum per project | N.A. | | |
| Agency that administers program | College | | |
| Does the program fund consortia training? | No | | |
| Is the program centrally administered? | No | | |
| Is there a strong local or substate role? | Yes | | |
| Does the state contract for training? | No | | |
| Does the state provide training services? | Yes | | |
| Can employers select any training provider? | No | | |
| Trainees 2004-05 | 18,959 | | |
| Who is the client? | Business | | |
| Recruitment and screening funded? | No | | |
| Classroom training | Yes | | |
| On-the-Job training | Yes | | |
| CBT/web-based training | No | | |
| English as a second language training | No | | |
| Basic literacy training | No | | |
| Basic math training | No | | |
| Welfare-to-work training | No | | |
| Number of program staff | 4 | | |
| Summary of self-reports by program on level of involvement | | | |
| Employers for whom training is provided | Low | Medium | High |
| Community/Technical colleges | Low | Medium | High |
| Economic development groups | Low | Medium | High |
| Employer associations | Low | Medium | High |
| Unions | Low | Medium | High |
| One-stop centers | Low | Medium | High |
| Eligible training provider list | Low | Medium | High |
| Labor market information | Low | Medium | High |
| Local Workforce Investment Boards | Low | Medium | High |
| State Workforce Investment Board | Low | Medium | High |
| Assessment of organizational links | | | |
| Economic Development | Low | Medium | High |
| Community College | Low | Medium | High |
| Workforce Investment Act | Low | Medium | High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$1,939,123 |
| 1990 | \$1,869,672 |
| 1991 | \$2,538,066 |
| 1992 | \$1,303,055 |
| 1993 | \$1,210,449 |
| 1994 | \$1,953,337 |
| 1995 | \$1,913,075 |
| 1996 | \$2,996,541 |
| 1997 | \$2,945,130 |
| 1998 | \$3,375,390 |
| 1999 | \$3,216,772 |
| 2000 | \$3,206,457 |
| 2001 | \$4,061,265 |
| 2002 | \$4,176,161 |
| 2003 | \$3,257,728 |
| 2004 | \$3,210,326 |
| 2005 | \$3,481,361 |
| 2006 | \$3,108,100 |
| Finance Summary | |
| Per Capita 05-06 | \$2.74 |
| Per Capita Rank | 33 |
| Dollar Rank | 35 |
| 15-Year Per Capita Trend | |
| Down | Up |

Utah College of Applied
Technology
Board of Regents Building
The Gateway
60 South 400 West
Salt Lake City, UT 84101
801-321-7183
www.ucats.org

Vermont

Vermont Training Program

Description: *The Vermont Training Program promotes industrial expansion and encourages the creation and retention of jobs in manufacturing by providing training for new and existing businesses thereby increasing the skills of the Vermont workforce, wages and Vermonters' standard of living. The two primary goals of the Vermont Training Program are job creation and job retention. In order to accomplish the training program goals, the state offers manufacturers three training initiatives: new employment, upgrade, and crossover training for incumbent workers. These individually designed training programs may include on-the-job, classroom, skill upgrade, or other specialized training which are mutually agreed upon between the State and employer.*

Best Practices: *Vermont makes sure the program is well known to employers.*

Vermont's program is a grant program for new hires and incumbent workers in manufacturing companies only. Jobs generally must pay at least twice the minimum wage (\$14.00 in 2005) and be permanent and full time. Applicants must list training objectives with job descriptions and curriculum outlines, training hours, and facilities, equipment and materials to be used in training. Employers must contribute a dollar-for-dollar match.

The program cites two primary goals: (1) to insure that after training workers receive a "living wage," have skills valuable in the open job market, and a job that has growth potential resulting in long term retention; and (2) the employer has a workforce with the needed skills to provide a quality product in the global marketplace.

Most employers that participate in training are small, with an average of about 20 trainees. Training emphasizes lean manufacturing to reduce waste and improve productivity. Companies can select any training vendor or the state will help find the right vendor. Two-year colleges play little role in the program. The program operator says training subsidies help employers offer training on a faster time table than they would otherwise.

Vermont also has a little-used workforce development tax credit that can be used to reduce a company's income tax liability. Twenty percent of the employer's match for a Vermont Training Program project can be taken as a tax credit. A company not participating in the grant program can take a tax credit for training expenditures that would have met program criteria and for general employee educational assistance. Total tax credits taken per year are usually less than \$100,000.

| Vermont Training Program | |
|---|----------------------|
| Year customized training funding began | 1977 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 35% |
| Percent of money to incumbent workers | 65% |
| Source of Money | General fund |
| Average per trainee | \$650 |
| Maximum per trainee | N.A. |
| Average per project | \$30,000 |
| Maximum per project | N.A. |
| Agency that administers program | Economic development |
| Does the program fund consortia training? | No |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 2,443 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | No |
| English as a second language training | No |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | No |
| Number of program staff | 1 |

Summary of self-reports by program on level of involvement

| | | | |
|---|------------|---------------|-------------|
| Employers for whom training is provided | Low | Medium | High |
| Community/Technical colleges | Low | Medium | High |
| Economic development groups | Low | Medium | High |
| Employer associations | Low | Medium | High |
| Unions | Low | Medium | High |
| One-stop centers | Low | Medium | High |
| Eligible training provider list | Low | Medium | High |
| Labor market information | Low | Medium | High |
| Local Workforce Investment Boards | Low | Medium | High |
| State Workforce Investment Board | Low | Medium | High |

Assessment of organizational links

| | | | |
|--------------------------|------------|---------------|------|
| Economic Development | Low | Medium | High |
| Community College | Low | Medium | High |
| Workforce Investment Act | Low | Medium | High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$925,719 |
| 1990 | \$891,178 |
| 1991 | \$463,531 |
| 1992 | \$452,160 |
| 1993 | \$442,132 |
| 1994 | \$810,772 |
| 1995 | \$423,906 |
| 1996 | \$513,008 |
| 1997 | \$358,128 |
| 1998 | \$796,127 |
| 1999 | \$654,843 |
| 2000 | \$1,033,762 |
| 2001 | \$911,621 |
| 2002 | \$1,025,091 |
| 2003 | \$1,048,678 |
| 2004 | \$1,004,094 |
| 2005 | \$1,631,290 |
| 2006 | \$1,800,000 |
| Finance Summary | |
| Per Capita 05-06 | \$5.94 |
| Per Capita Rank | 15 |
| Dollar Rank | 41 |
| 15-Year Per Capita Trend | |
| Down | Up |

Department of Economic
Development
National Life Building,
Drawer 20
Montpelier, VT 05620
802-828-5235
www.thinkvermont.com

Virginia

Workforce Services

Description: *The Workforce Services division of the Virginia Department of Business Assistance provides customized recruiting and training services to companies that are creating new jobs or experiencing technological change. As a business development incentive supporting economic development efforts throughout Virginia, the program reduces the human resource development costs of new and expanding companies throughout the Commonwealth of Virginia. Workforce Services offers consulting services, organizational development support, electronic media services, and funding.*

Model Project: *“Workforce Services has and continues to help us attract and retain the best-qualified employees. As a fiscally-conservative taxpayer who abhors waste, I can say without reservation that this is a very good use of state funds and proves that Virginia is serious about attracting and retaining manufacturing business,” said a company representative.*

Best Practices: *No red tape with a process that is regularly reviewed and refined.*

Virginia’s program offers both new hire and incumbent worker training for manufacturers, distribution centers, corporate headquarters, call centers and information technology service companies. To be eligible for new hire training, large companies must create at least 25 new jobs and make a capital investment of at least \$1 million. Companies with 250 or fewer employees must create at least 5 new jobs and make an investment of at least \$100,000. The incumbent worker training is available for companies making a capital investment of at least \$500,000. Jobs generally must pay at least \$8 per hour.

The program contracts with employers who provide their own training. In addition, Workforce Services provides direct training to eligible employers. Courses include train-the-trainer, continuous improvement, customer service, and supervision. Overall, companies provide 80 percent of the training.

For expansion projects, the program funds pre-employment training, described by program operators as an “extended interview” so the employer to take a look at prospective employees. The program also produces orientation and safety videos for companies. Reimbursement rates for new hire training range from 10 to 40 percent of total employer costs.

A program official said budget cuts were caused by the state’s general economic and budget problems, not dissatisfaction with the program. The official also reported that customized training leads to further training of company employees, often through community colleges.

| Workforce Services | |
|---|------------------------|
| Year customized training funding began | 1965 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 80% |
| Percent of money to incumbent workers | 20% |
| Source of Money | General Fund |
| Average per trainee | \$500 |
| Maximum per trainee | \$600 to \$1,000 |
| Average per project | \$15,000 |
| Maximum per project | N.A. |
| Agency that administers program | Economic Development |
| Does the program fund consortia training? | No |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | Yes |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 13,000 |
| Who is the client? | Employers |
| Recruitment and screening funded? | Yes |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | Yes |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 15 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$7,293,632 |
| 1990 | \$5,959,668 |
| 1991 | \$5,744,045 |
| 1992 | \$4,459,142 |
| 1993 | \$5,717,357 |
| 1994 | \$7,484,050 |
| 1995 | \$7,574,116 |
| 1996 | \$11,626,578 |
| 1997 | \$11,073,690 |
| 1998 | \$17,458,915 |
| 1999 | \$14,935,013 |
| 2000 | \$15,202,350 |
| 2001 | \$14,851,846 |
| 2002 | \$14,581,191 |
| 2003 | \$14,322,923 |
| 2004 | \$9,362,494 |
| 2005 | \$7,850,584 |
| 2006 | \$8,200,000 |
| Finance Summary | |
| Per Capita 05-06 | \$2.25 |
| Per Capita Rank | 36 |
| Dollar Rank | 22 |
| 15-Year Per Capita Trend | |
| Down | Up |

Department of Business Assistance
707 E. Main Street
Suite 300
Richmond, VA 23219
804-371-8200
www.dba.state.va.us

Washington

Job Skills Partnership

Description: *Through dollar-for-dollar matching grants, the Job Skills Program (JSP) funds industry-education partnerships to deliver customized, short-term and job-specific training. The program supports skill training or education that is separate from and in addition to existing workforce education programs. The Job Skills Program is a commitment by the state of Washington to extend its education and training resources so that Washington employers will be provided with a well-trained and skilled workforce. JSP supports three types of training projects [new hires, retraining and upgrade], each a tool to enhance the competitiveness of Washington's economy and increase employment opportunities.*

Best Practices: *The partnership between colleges and employers. Program administrators say the quality of training is high.*

Washington has a small, college-based program. The statewide college system administers the program and awards money to local colleges on a project-by-project basis. (The program was formerly administered by the Workforce Training and Education Coordinating Board.) A 12-member committee, including representatives from business, labor, and education, advises the program.

Funds typically are committed within a month of the start of each year. Training is usually provided by college personnel, but company personnel and vendors provide training when college expertise is not available. Most training is aimed at individual business, with consortia training making up only 15 percent of total funding.

A third of the program's money for 2005-07 (a total of \$1 million for two years) is committed to a special program for aerospace, primarily at the Boeing Company. Overall, two-thirds of the program's money goes to training for manufacturers, with other sizeable projects for construction, health care, information technology and transport. Persons trained must earn at least \$9 an hour plus health benefits.

A January 2004 evaluation of the program tracked 649 trainees who completed training between June 2000 and March 2002. The study compared earnings in the quarter before training with earnings in the third quarter after training for trainees with wages in both quarters. Earnings increased 10 percent from \$8,215 to \$9,023 per quarter, mostly because hours worked increased. Hourly wages were up 2 percent from \$15.21 to \$15.55.

Although Washington spends a relatively small amount of state funds on customized training, it has budgeted \$34 million in state money for 2005-06 for displaced worker programs. The money is allocated to each of the community colleges and constitutes a large state commitment to displaced worker training.

| Job Skills Program | |
|---|------------------------|
| Year customized training funding began | 1983 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | N.A. |
| Percent of money to incumbent workers | N.A. |
| Source of Money | General Fund |
| Average per trainee | \$840 |
| Maximum per trainee | N.A. |
| Average per project | \$80,000 |
| Maximum per project | N.A. |
| Agency that administers program | 2-year colleges |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | No |
| Does the state provide training services? | Yes |
| Can employers select any training provider? | Limited choice |
| Trainees 2004-05 | 3,500 |
| Who is the client? | Employer and college |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | Yes |
| Basic literacy training | Yes |
| Basic math training | Yes |
| Welfare-to-work training | No |
| Number of program staff | 1 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$2,156,178 |
| 1990 | \$2,078,954 |
| 1991 | \$2,003,737 |
| 1992 | \$1,549,984 |
| 1993 | \$1,515,610 |
| 1994 | \$846,945 |
| 1995 | \$829,488 |
| 1996 | \$668,828 |
| 1997 | \$657,353 |
| 1998 | \$649,472 |
| 1999 | \$641,057 |
| 2000 | \$639,062 |
| 2001 | \$624,328 |
| 2002 | \$980,180 |
| 2003 | \$962,819 |
| 2004 | \$1,534,409 |
| 2005 | \$1,503,846 |
| 2006 | \$1,475,000 |
| Finance Summary | |
| Per Capita 05-06 | \$0.53 |
| Per Capita Rank | 45 |
| Dollar Rank | 43 |
| 15-Year Per Capita Trend | |
| Down | Up |

Washington State Board for
Community and Technical
Colleges
P.O. Box 42495
Olympia, WA 98504
360-704-4339
www.sbctc.ctc.edu

West Virginia

Governor's Guaranteed Workforce West Virginia Workforce Development Initiative

Description: Workforce West Virginia's professionals can help employers with a free, detailed analysis of labor availability; recruitment, assessment, evaluation and candidate screening based on employer criteria; and customized training to meet employers' needs, specifically through: Training design, Pre-employment training, Job profiling, Quality development, Technical training, Multi-media, Structured on-the-job training, Train-the-trainer, Instructor wages, Leadership training. Training can be conducted by community and technical colleges, technical education centers or employer-selected trainers. Overall funding levels will be based on the wages and benefits, location, and the number of net new jobs created.

Best Practices: Governor's Guaranteed Workforce West Virginia puts emphasis on helping employers find the most appropriate training vendor so training quality is high. The state also promises flexibility and lots of help filling out necessary paperwork.

The Governor's Guaranteed Workforce Program is an economic development training program, mostly for companies creating at least 10 new jobs within a year. Grants of up to \$2,000 per employee can be used for recruitment, assessment, and training for the new hires and for incumbent workers. Companies that are not expanding also are eligible for incumbent worker training if it will result in a wage increase, a credential recognized by industry, a promotion with backfill, or training on technology new to the company. Employers may provide their own training, use community and technical colleges, technical education centers, or any other vendor of their choice. All projects are customized to the needs of individual employers. Companies that are expanding employment are also eligible to train incumbent workers, and more than half the training is for incumbent workers. These industries are targeted: automotive, aviation and aerospace, biometrics, biotechnology, business services, chemicals, destination tourism, energy, fabricated metal products, food processing, hardwood products, information technology, polymers, printing, technology, and warehouse and distribution.

The Workforce Development Initiative is designed to create partnerships between educational institutions and business. Most training is provided by two-year colleges although other training providers may be selected. Specific employers or groups of employers must be identified in each training project. Both new and incumbent workers can be trained. Training may take place at a college location or on company premises.

Both programs require a dollar-for-dollar employer match.

| Governor's Guaranteed Workforce West Virginia (GGWFP) Workforce Development Initiative (WDI) | |
|---|-------------------------------|
| Year customized training funding began | Late 1960's |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 40% |
| Percent of money to incumbent workers | 60% |
| Source of Money | General Fund |
| Average per trainee | GGWFP \$450; WDI \$680 |
| Maximum per trainee | GGWFP \$2,000; WDI N.A. |
| Average per project | GGWFP \$63,000; WDI \$100,000 |
| Maximum per project | N.A. |
| Agency that administers program | Workforce |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 12,282 |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | GGWFP Yes; WDI No |
| CBT/web-based training | Yes |
| English as a second language training | No |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | No |
| Number of program staff | 2 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$1,814,065 |
| 1990 | \$3,464,923 |
| 1991 | \$3,339,561 |
| 1992 | \$3,995,583 |
| 1993 | \$3,287,325 |
| 1994 | \$2,369,949 |
| 1995 | \$1,710,284 |
| 1996 | \$2,397,233 |
| 1997 | \$2,356,104 |
| 1998 | \$2,327,855 |
| 1999 | \$3,446,542 |
| 2000 | \$5,248,762 |
| 2001 | \$4,578,356 |
| 2002 | \$4,585,089 |
| 2003 | \$4,027,807 |
| 2004 | \$3,562,933 |
| 2005 | \$3,080,294 |
| 2006 | \$3,247,000 |
| Finance Summary | |
| Per Capita 05-06 | \$4.35 |
| Per Capita Rank | 22 |
| Dollar Rank | 33 |
| 15-Year Per Capita Trend | |
| Down | Up |

Workforce West Virginia
112 California Ave., Bldg. 4
Charleston, WV 25305
304-558-7024
www.workforcewv.org

Wisconsin

Customized Labor Training and BEST

Description: *The CLT [Customized Labor Training] program is designed to assist companies that are investing in new technologies or manufacturing processes by providing a grant of up to 50% of the cost of training employees on the new technologies. The program's primary goal is to help Wisconsin manufacturers maintain a workforce that is on the cutting edge of technological innovation.*

Customized Labor Training is a grant program that supports training on new technology, industrial skills or processes. The program supports training for new and expanding firms and for upgrade training for incumbent workers. Funded training must not be currently available through other sources, including the technical college system. The program is targeted to manufacturers making capital investments and does not support "soft skills" training such as lean manufacturing. Payments of up to \$2,500 per person must be matched dollar-for-dollar by the company. Unlike many states, trainee wages are considered eligible training costs.

Applications are filed through local offices of the Department of Commerce. Most training is for incumbent workers. Community colleges play little role in training.

The Business Employees' Skills Training (BEST) offers small businesses with 25 or fewer employees \$1,000 per employee and up to \$5,000 per business for tuition costs for third-party skills training for incumbent workers. Up to \$500,000 a year is available for this program, which is limited to businesses in these clusters: automation, agriculture, food products, biotechnology, information technology, manufacturing, medical devices, paper or forest products, printing, tourism, and childcare.

| Customized Labor Training Program (CLT) & BEST | |
|---|------------------------|
| Year customized training funding began | 1983 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | N.A. |
| Percent of money to incumbent workers | N.A. |
| Source of Money | General Revenue |
| Average per trainee | N.A. |
| Maximum per trainee | CLT \$2,500; BEST N.A. |
| Average per project | N.A. |
| Maximum per project | N.A. |
| Agency that administers program | Commerce |
| Does the program fund consortia training? | No |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | N.A. |
| Who is the client? | Business |
| Recruitment and screening funded? | No |
| Classroom training | Yes |
| On-the-Job training | No |
| CBT/web-based training | No |
| English as a second language training | No |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | No |
| Number of program staff | 1 plus 14 part time |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$934,344 |
| 1990 | \$14,552,677 |
| 1991 | \$14,026,157 |
| 1992 | \$5,212,219 |
| 1993 | \$5,096,628 |
| 1994 | \$3,586,107 |
| 1995 | \$3,512,191 |
| 1996 | \$5,393,773 |
| 1997 | \$5,301,234 |
| 1998 | \$5,295,871 |
| 1999 | \$5,227,255 |
| 2000 | \$3,875,496 |
| 2001 | \$3,786,143 |
| 2002 | \$3,375,276 |
| 2003 | \$3,315,491 |
| 2004 | \$3,250,866 |
| 2005 | \$3,186,114 |
| 2006 | \$3,125,000 |
| Finance Summary | |
| Per Capita 05-06 | \$1.10 |
| Per Capita Rank | 43 |
| Dollar Rank | 34 |
| 15-Year Per Capita Trend | |
| Down | Up |

Department of Commerce
201 W. Washington Avenue
PO Box 7970
Madison, WI 53707
608-266-1018
www.commerce.state.wi.us

Wyoming

Workforce Development Training Fund

Description: *The Workforce Development Training Fund (WDTF) was created during the 1997 Legislative General Session. The program is funded through interest from the Unemployment Insurance Trust Fund and through General Fund dollars. There are two major types of grants provided through this program....Business Training Grants provide opportunities for Wyoming's new or current businesses to create new jobs or to complete necessary skill upgrades to stay competitive in today's economy....Pre-Hire Economic Development Grants provide pre-employment, industry-specific skill training to develop a workforce for businesses or industry when there is a shortage of skilled workers.*

Best Practice: *Totally business driven.*

Sparsely-populated Wyoming faces the challenge of gathering a critical mass of skilled people in one location to fill employers' needs. Compounding the challenge is a lack of specialized trainers and the state's determination to diversify its economy beyond mining and natural resources. On a per capita basis, Wyoming had had the ninth largest program in the country in 2005, with two distinct targets.

Business Training Grants are for single employers to train new or existing workers. The program operates largely as a tuition reimbursement program that is scaled to support training for as few as one person at a time. Employers are free to select training vendors inside or outside Wyoming. Employers must certify that employees need training to do their current job or to be upgraded to a new position and that the training will help the business better compete. The program can also be used as an economic development incentive for new and expanding businesses.

The state will pay up to \$2,000 per person for existing workers and \$4,000 for new hires. For existing workers the employer must provide a match equal to 40 percent of the state funding. There is no match for new hires. Awarding of Business Training Grants was suspended for eight months in 2003 and 2004 to improve accountability and targeting and toughen the business match rule by disallowing trainee wage costs as a match. Generally, all employers except government employers may participate.

Pre-Hire Economic Development Grants are consortia training contracts with employer associations, unions or public or private schools to help businesses develop a workforce when there is a shortage of skilled workers. Projects have been approved for truck drivers, electricians, nurses, and sales workers.

A program evaluation in 2005 analyzed records for 3,475 persons trained from 1998-99 to 2002-03, including unemployment insurance wage records. Control groups were created through statistical means. The study found that persons with pre-training earnings in the lowest 60 percent of all trainees had statistically significant wage increases for up to four years after training. Workers with higher pre-training wages did not show statistically significant increases compared with control groups for most periods analyzed. Trained persons from all income groups tended to remain in the Wyoming labor market at a higher rate than those in control groups, a major objective of the program.

| Workforce Development Training Fund | |
|---|-----------------------------------|
| Year customized training funding began | 1997 |
| New job training | Yes |
| Incumbent worker training | Yes |
| Percent of money to new jobs | 25% |
| Percent of money to incumbent workers | 75% |
| Source of Money | General fund and UI fund interest |
| Average per trainee | \$700 |
| Maximum per trainee | \$2,000 incmbnt; \$4,000 New jobs |
| Average per project | \$4,000 |
| Maximum per project | None |
| Agency that administers program | Workforce Services |
| Does the program fund consortia training? | Yes |
| Is the program centrally administered? | Yes |
| Is there a strong local or substate role? | No |
| Does the state contract for training? | Yes |
| Does the state provide training services? | No |
| Can employers select any training provider? | Yes |
| Trainees 2004-05 | 3,000 |
| Who is the client? | Business |
| Recruitment and screening funded? | Yes |
| Classroom training | Yes |
| On-the-Job training | Yes |
| CBT/web-based training | Yes |
| English as a second language training | No |
| Basic literacy training | No |
| Basic math training | No |
| Welfare-to-work training | No |
| Number of program staff | 4 |
| Summary of self-reports by program on level of involvement | |
| Employers for whom training is provided | Low Medium High |
| Community/Technical colleges | Low Medium High |
| Economic development groups | Low Medium High |
| Employer associations | Low Medium High |
| Unions | Low Medium High |
| One-stop centers | Low Medium High |
| Eligible training provider list | Low Medium High |
| Labor market information | Low Medium High |
| Local Workforce Investment Boards | Low Medium High |
| State Workforce Investment Board | Low Medium High |
| Assessment of organizational links | |
| Economic Development | Low Medium High |
| Community College | Low Medium High |
| Workforce Investment Act | Low Medium High |

| Budget in 2006 Dollars | |
|---------------------------------|--------------------|
| 1989 | \$0 |
| 1990 | \$0 |
| 1991 | \$0 |
| 1992 | \$0 |
| 1993 | \$0 |
| 1994 | \$0 |
| 1995 | \$0 |
| 1996 | \$0 |
| 1997 | \$0 |
| 1998 | \$174,589 |
| 1999 | \$456,092 |
| 2000 | \$273,642 |
| 2001 | \$740,392 |
| 2002 | \$1,905,276 |
| 2003 | \$3,450,233 |
| 2004 | \$1,406,455 |
| 2005 | \$2,039,113 |
| 2006 | \$2,443,000 |
| Finance Summary | |
| Per Capita 05-06 | \$9.04 |
| Per Capita Rank | 10 |
| Dollar Rank | 38 |
| 15-Year Per Capita Trend | |
| Down | Up |

Business Training & Outreach Division
 Department of Workforce Services
 122 W. 25th St.
 Herschler Building, 2E
 Cheyenne, WY 82002
 307-777-6271

Data Appendix

Table A-1: Annual Customized Training Budgets in Nominal Dollars

Table A-2: Annual Customized Training Budgets Adjusted to 2006 Dollars

Table A-3: Real Per Capita Spending for State Customized Training

Table A-4: FY 2006 Program Characteristics

Table A-1: Annual Customized Training Budgets in Nominal Dollars

| State | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 |
|----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Alabama | \$8,433,000 | \$8,432,962 | \$7,667,967 | \$7,200,000 | \$5,800,000 | \$5,559,953 |
| Alaska | \$2,000,000 | \$1,725,000 | \$2,140,000 | \$1,800,000 | \$2,800,000 | \$2,900,000 |
| Arizona | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,000,000 |
| Arkansas | \$1,361,000 | \$1,700,000 | \$1,600,000 | \$1,200,000 | \$1,500,000 | \$1,516,000 |
| California | \$106,000,000 | \$137,090,000 | \$75,306,000 | \$95,607,000 | \$101,276,000 | \$95,446,000 |
| Colorado | \$1,276,000 | \$1,687,000 | \$1,675,000 | \$2,000,000 | \$1,982,000 | \$1,982,000 |
| Connecticut | \$3,978,000 | \$2,800,000 | \$2,300,000 | \$2,473,000 | \$2,089,035 | \$2,209,759 |
| Delaware | \$1,080,000 | \$900,000 | \$1,150,000 | \$500,000 | \$515,000 | \$772,400 |
| Florida | \$1,500,000 | \$1,500,000 | \$1,500,000 | \$0 | \$0 | \$5,000,000 |
| Georgia | \$4,900,000 | \$5,360,000 | \$5,360,000 | \$5,800,000 | \$5,800,000 | \$7,030,561 |
| Hawaii | \$250,000 | \$250,000 | \$250,000 | \$2,000,000 | \$2,500,000 | \$2,500,000 |
| Idaho | \$415,000 | \$415,000 | \$415,000 | \$415,000 | \$400,000 | \$400,000 |
| Illinois | \$35,365,000 | \$32,708,400 | \$30,604,800 | \$19,974,829 | \$15,944,200 | \$17,414,753 |
| Indiana | \$10,200,000 | \$12,600,000 | \$12,600,000 | \$13,100,000 | \$13,100,000 | \$11,769,525 |
| Iowa | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 |
| Kansas | \$2,700,000 | \$3,300,000 | \$3,200,000 | \$4,560,000 | \$8,450,000 | \$4,300,000 |
| Kentucky | \$2,909,000 | \$5,169,000 | \$5,397,000 | \$2,553,950 | \$3,280,500 | \$3,500,000 |
| Louisiana | \$800,000 | \$800,000 | \$800,000 | \$1,000,000 | \$1,000,000 | \$800,000 |
| Maine | \$500,000 | \$0 | \$0 | \$0 | \$0 | \$2,000,000 |
| Maryland | \$705,000 | \$750,000 | \$1,616,000 | \$1,001,900 | \$926,736 | \$962,266 |
| Massachusetts | \$1,764,000 | \$1,565,250 | \$1,443,035 | \$1,200,000 | \$1,200,000 | \$1,200,000 |
| Michigan | \$38,968,000 | \$38,968,000 | \$38,968,000 | \$26,000,000 | \$26,000,000 | \$40,000,000 |
| Minnesota | \$2,550,000 | \$2,600,000 | \$2,600,000 | \$1,247,000 | \$1,247,000 | \$1,608,000 |
| Mississippi | \$1,650,000 | \$1,700,000 | \$1,700,000 | \$1,500,000 | \$1,700,000 | \$950,000 |
| Missouri | \$10,000,000 | \$10,000,000 | \$8,500,000 | \$8,500,000 | \$8,500,000 | \$8,500,000 |
| Montana | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Nebraska | \$175,000 | \$775,000 | \$775,000 | \$775,000 | \$775,000 | \$670,000 |
| Nevada | \$207,000 | \$150,000 | \$150,000 | \$150,000 | \$0 | \$150,000 |
| New Hampshire | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| New Jersey | \$2,048,000 | \$2,000,000 | \$2,000,000 | \$1,750,000 | \$20,000,000 | \$18,900,800 |
| New Mexico | \$1,470,000 | \$2,150,000 | \$2,150,000 | \$1,700,000 | \$2,500,000 | \$6,000,000 |
| New York | \$26,472,000 | \$26,624,000 | \$23,090,000 | \$4,730,000 | \$2,000,000 | \$2,000,000 |
| North Carolina | \$10,437,000 | \$7,828,000 | \$6,000,000 | \$7,105,000 | \$9,647,000 | \$9,600,000 |
| North Dakota | \$0 | \$0 | \$0 | \$0 | \$37,500 | \$92,500 |
| Ohio | \$14,515,000 | \$14,400,000 | \$14,100,000 | \$10,000,000 | \$10,000,000 | \$10,000,000 |
| Oklahoma | \$2,129,000 | \$5,000,000 | \$5,210,000 | \$5,210,000 | \$5,210,000 | \$3,500,000 |
| Oregon | \$388,000 | \$550,000 | \$550,000 | \$787,000 | \$787,500 | \$614,300 |
| Pennsylvania | \$15,500,000 | \$10,000,000 | \$6,500,000 | \$7,000,000 | \$7,000,000 | \$7,775,000 |
| Rhode Island | \$4,000,000 | \$4,000,000 | \$4,000,000 | \$6,225,000 | \$5,510,000 | \$4,000,000 |
| South Carolina | \$5,900,000 | \$5,900,000 | \$6,800,000 | \$6,800,000 | \$6,400,000 | \$10,800,000 |
| South Dakota | \$0 | \$0 | \$0 | \$0 | \$0 | \$250,000 |
| Tennessee | \$10,370,000 | \$2,500,000 | \$2,500,000 | \$7,000,000 | \$5,000,000 | \$5,000,000 |
| Texas | \$890,000 | \$1,890,000 | \$1,890,000 | \$1,900,000 | \$1,900,000 | \$3,100,000 |
| Utah | \$1,349,000 | \$1,349,000 | \$1,900,000 | \$1,000,000 | \$950,000 | \$1,566,000 |
| Vermont | \$644,000 | \$643,000 | \$347,000 | \$347,000 | \$347,000 | \$650,000 |
| Virginia | \$5,074,000 | \$4,300,000 | \$4,300,000 | \$3,422,068 | \$4,487,168 | \$6,000,000 |
| Washington | \$1,500,000 | \$1,500,000 | \$1,500,000 | \$1,189,500 | \$1,189,500 | \$679,000 |
| West Virginia | \$1,262,000 | \$2,500,000 | \$2,500,000 | \$3,066,320 | \$2,580,000 | \$1,900,000 |
| Wisconsin | \$650,000 | \$10,500,000 | \$10,500,000 | \$4,000,000 | \$4,000,000 | \$2,875,000 |
| Wyoming | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total | \$364,284,000 | \$396,579,612 | \$323,554,802 | \$293,789,567 | \$316,331,139 | \$337,443,817 |

Table A-1: Annual Customized Training Budgets in Nominal Dollars Continued

| State | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 |
|----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Alabama | \$16,932,453 | \$12,000,000 | \$12,000,000 | \$14,000,000 | \$18,000,000 | \$6,100,000 |
| Alaska | \$3,100,000 | \$3,200,000 | \$3,200,000 | \$3,200,000 | \$3,200,000 | \$2,130,000 |
| Arizona | \$3,000,000 | \$4,500,000 | \$4,500,000 | \$5,000,000 | \$5,000,000 | \$5,066,050 |
| Arkansas | \$1,520,000 | \$1,500,000 | \$1,500,000 | \$1,500,000 | \$1,500,000 | \$1,500,000 |
| California | \$85,442,000 | \$76,210,309 | \$96,659,379 | \$117,686,783 | \$117,201,000 | \$83,177,339 |
| Colorado | \$1,982,000 | \$3,700,000 | \$4,020,000 | \$5,700,000 | \$5,700,000 | \$4,258,620 |
| Connecticut | \$3,205,501 | \$3,619,413 | \$4,025,182 | \$4,024,882 | \$4,024,882 | \$2,324,616 |
| Delaware | \$520,000 | \$846,543 | \$1,078,329 | \$902,432 | \$902,432 | \$556,268 |
| Florida | \$2,700,000 | \$4,371,000 | \$4,000,000 | \$4,000,000 | \$4,000,000 | \$4,000,000 |
| Georgia | \$6,517,889 | \$8,800,000 | \$9,500,000 | \$10,000,000 | \$10,200,000 | \$50,500,705 |
| Hawaii | \$3,800,000 | \$3,800,000 | \$3,800,000 | \$4,727,000 | \$2,500,000 | \$2,500,000 |
| Idaho | \$100,000 | \$100,000 | \$3,000,000 | \$3,000,000 | \$3,000,000 | \$2,354,416 |
| Illinois | \$21,500,802 | \$15,823,000 | \$18,573,000 | \$20,823,000 | \$20,573,000 | \$16,201,328 |
| Indiana | \$11,102,722 | \$13,000,000 | \$13,000,000 | \$13,000,000 | \$13,000,000 | \$13,000,000 |
| Iowa | \$21,200,000 | \$16,939,000 | \$45,199,000 | \$43,402,000 | \$35,678,650 | \$44,755,379 |
| Kansas | \$4,400,000 | \$8,730,000 | \$12,700,000 | \$9,460,000 | \$3,850,000 | \$33,000,000 |
| Kentucky | \$3,500,000 | \$4,829,000 | \$2,580,000 | \$4,731,000 | \$3,099,000 | \$4,000,000 |
| Louisiana | \$700,000 | \$700,000 | \$7,300,000 | \$7,500,000 | \$7,500,000 | \$57,000,000 |
| Maine | \$2,000,000 | \$3,200,000 | \$3,200,000 | \$3,200,000 | \$3,200,000 | \$5,422,000 |
| Maryland | \$1,621,250 | \$3,665,000 | \$6,573,000 | \$7,668,000 | \$9,100,000 | \$10,780,669 |
| Massachusetts | \$1,200,000 | \$1,200,000 | \$1,200,000 | \$1,200,000 | \$9,000,000 | \$18,000,000 |
| Michigan | \$40,000,000 | \$34,000,000 | \$34,000,000 | \$31,000,000 | \$30,000,000 | \$30,000,000 |
| Minnesota | \$1,608,000 | \$4,500,000 | \$4,500,000 | \$7,650,000 | \$7,918,000 | \$16,817,000 |
| Mississippi | \$1,000,000 | \$6,906,000 | \$4,298,000 | \$4,453,000 | \$5,500,000 | \$14,489,916 |
| Missouri | \$16,275,000 | \$22,750,000 | \$28,000,000 | \$28,000,000 | \$28,000,000 | \$34,000,000 |
| Montana | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Nebraska | \$670,000 | \$770,000 | \$770,000 | \$1,775,000 | \$2,775,000 | \$1,800,000 |
| Nevada | \$150,000 | \$150,000 | \$150,000 | \$500,000 | \$500,000 | \$500,000 |
| New Hampshire | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| New Jersey | \$19,500,000 | \$17,600,000 | \$23,300,000 | \$22,500,000 | \$20,000,000 | \$20,000,000 |
| New Mexico | \$6,000,000 | \$6,000,000 | \$6,000,000 | \$6,000,000 | \$6,000,000 | \$6,000,000 |
| New York | \$2,000,000 | \$6,000,000 | \$0 | \$0 | \$0 | \$3,500,000 |
| North Carolina | \$10,600,000 | \$8,500,000 | \$10,000,000 | \$8,800,000 | \$19,800,000 | \$6,993,678 |
| North Dakota | \$92,500 | \$900,000 | \$900,000 | \$900,000 | \$900,000 | \$2,111,883 |
| Ohio | \$10,000,000 | \$9,000,000 | \$9,000,000 | \$9,000,000 | \$13,000,000 | \$18,281,000 |
| Oklahoma | \$3,500,000 | \$4,774,290 | \$5,136,037 | \$7,321,066 | \$7,865,967 | \$6,517,000 |
| Oregon | \$614,300 | \$600,000 | \$600,000 | \$0 | \$0 | \$0 |
| Pennsylvania | \$7,775,000 | \$9,000,000 | \$15,000,000 | \$19,000,000 | \$29,000,000 | \$29,050,000 |
| Rhode Island | \$9,400,000 | \$1,500,000 | \$1,500,000 | \$1,000,000 | \$1,200,000 | \$8,350,000 |
| South Carolina | \$11,000,000 | \$10,563,000 | \$15,568,000 | \$10,698,000 | \$7,670,000 | \$7,000,000 |
| South Dakota | \$250,000 | \$0 | \$219,835 | \$1,165,563 | \$750,000 | \$1,750,000 |
| Tennessee | \$3,700,000 | \$3,900,000 | \$3,700,000 | \$4,500,000 | \$4,500,000 | \$7,434,000 |
| Texas | \$4,500,000 | \$56,284,172 | \$76,587,676 | \$66,500,000 | \$66,500,000 | \$33,282,870 |
| Utah | \$1,566,000 | \$2,500,000 | \$2,500,000 | \$2,900,000 | \$2,800,000 | \$2,847,400 |
| Vermont | \$347,000 | \$428,000 | \$304,000 | \$684,000 | \$570,000 | \$918,002 |
| Virginia | \$6,200,000 | \$9,700,000 | \$9,400,000 | \$15,000,000 | \$13,000,000 | \$13,500,000 |
| Washington | \$679,000 | \$558,000 | \$558,000 | \$558,000 | \$558,000 | \$567,500 |
| West Virginia | \$1,400,000 | \$2,000,000 | \$2,000,000 | \$2,000,000 | \$3,000,000 | \$4,661,009 |
| Wisconsin | \$2,875,000 | \$4,500,000 | \$4,500,000 | \$4,550,000 | \$4,550,000 | \$3,441,520 |
| Wyoming | \$0 | \$0 | \$0 | \$150,000 | \$397,000 | \$243,000 |
| Total | \$357,746,417 | \$414,116,727 | \$516,099,438 | \$541,329,726 | \$556,982,931 | \$640,683,168 |

Table A-1: Annual Customized Training Budgets in Nominal Dollars Continued

| State | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Alabama | \$6,300,000 | \$6,400,000 | \$6,500,000 | \$6,600,000 | \$6,587,000 | \$7,024,000 |
| Alaska | \$2,830,000 | \$4,040,000 | \$5,256,800 | \$4,634,100 | \$5,600,000 | \$6,400,000 |
| Arizona | \$7,102,344 | \$10,865,665 | \$12,077,189 | \$8,244,545 | \$11,033,300 | \$11,033,300 |
| Arkansas | \$1,500,000 | \$1,500,000 | \$1,500,000 | \$1,885,000 | \$1,885,000 | \$2,385,000 |
| California | \$97,182,000 | \$94,460,000 | \$93,721,000 | \$50,579,657 | \$44,041,000 | \$52,182,000 |
| Colorado | \$4,258,620 | \$4,258,620 | \$4,216,034 | \$2,725,022 | \$2,725,022 | \$2,700,000 |
| Connecticut | \$3,303,434 | \$1,728,633 | \$1,320,867 | \$0 | \$366,830 | \$0 |
| Delaware | \$497,609 | \$553,737 | \$786,419 | \$757,748 | \$1,260,433 | \$1,200,000 |
| Florida | \$6,000,000 | \$6,000,000 | \$6,000,000 | \$5,000,000 | \$5,000,000 | \$5,000,000 |
| Georgia | \$43,153,443 | \$34,161,265 | \$29,527,457 | \$23,320,154 | \$22,564,247 | \$22,350,753 |
| Hawaii | \$3,500,000 | \$2,000,000 | \$1,800,000 | \$2,265,000 | \$1,300,000 | \$1,200,000 |
| Idaho | \$1,647,285 | \$2,467,341 | \$5,237,750 | \$2,064,917 | \$3,600,000 | \$3,900,000 |
| Illinois | \$24,054,824 | \$24,188,800 | \$25,110,300 | \$21,646,500 | \$17,500,000 | \$17,500,000 |
| Indiana | \$13,000,000 | \$13,200,000 | \$16,700,000 | \$16,500,000 | \$15,000,000 | \$15,000,000 |
| Iowa | \$45,851,365 | \$36,412,124 | \$30,223,300 | \$30,876,191 | \$62,295,287 | \$62,295,287 |
| Kansas | \$3,600,000 | \$3,600,000 | \$11,315,000 | \$14,435,850 | \$14,429,239 | \$17,453,391 |
| Kentucky | \$5,500,000 | \$5,500,000 | \$5,500,000 | \$5,500,000 | \$5,500,000 | \$5,500,000 |
| Louisiana | \$57,000,000 | \$59,217,111 | \$53,000,000 | \$36,342,024 | \$44,117,541 | \$44,137,783 |
| Maine | \$5,122,000 | \$4,560,000 | \$4,130,000 | \$2,625,000 | \$2,579,000 | \$2,579,000 |
| Maryland | \$10,396,635 | \$9,850,000 | \$6,900,000 | \$5,619,918 | \$3,801,462 | \$3,811,718 |
| Massachusetts | \$18,000,000 | \$18,000,000 | \$18,000,000 | \$30,862,000 | \$21,000,000 | \$21,000,000 |
| Michigan | \$30,000,000 | \$30,000,000 | \$11,748,000 | \$10,048,000 | \$9,798,000 | \$9,798,000 |
| Minnesota | \$16,823,000 | \$9,250,000 | \$9,190,000 | \$6,779,770 | \$6,753,000 | \$6,753,000 |
| Mississippi | \$14,887,805 | \$20,657,225 | \$19,593,192 | \$18,895,002 | \$18,895,002 | \$27,853,750 |
| Missouri | \$38,000,000 | \$35,000,000 | \$27,000,000 | \$26,000,000 | \$26,000,000 | \$31,300,000 |
| Montana | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,300,000 |
| Nebraska | \$1,900,000 | \$2,000,000 | \$1,800,000 | \$1,600,000 | \$1,400,000 | \$8,900,000 |
| Nevada | \$500,000 | \$112,978 | \$1,127,024 | \$659,449 | \$500,000 | \$500,000 |
| New Hampshire | \$0 | \$1,000,000 | \$0 | \$0 | \$0 | \$0 |
| New Jersey | \$20,000,000 | \$18,000,000 | \$18,000,000 | \$32,600,000 | \$26,500,000 | \$28,700,000 |
| New Mexico | \$6,000,000 | \$9,000,000 | \$8,000,000 | \$7,000,000 | \$7,000,000 | \$10,000,000 |
| New York | \$3,500,000 | \$3,500,000 | \$14,833,000 | \$14,833,000 | \$14,833,000 | \$3,500,000 |
| North Carolina | \$10,035,100 | \$8,495,381 | \$6,864,318 | \$6,700,439 | \$8,343,277 | \$8,343,277 |
| North Dakota | \$2,152,067 | \$3,166,034 | \$2,126,569 | \$1,695,628 | \$1,695,628 | \$1,805,781 |
| Ohio | \$18,985,576 | \$11,456,420 | \$12,341,515 | \$12,638,600 | \$26,171,900 | \$17,200,000 |
| Oklahoma | \$5,884,000 | \$5,838,000 | \$5,004,000 | \$4,293,000 | \$5,300,000 | \$5,200,000 |
| Oregon | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Pennsylvania | \$32,050,000 | \$37,500,000 | \$37,500,000 | \$32,500,000 | \$32,500,000 | \$30,000,000 |
| Rhode Island | \$8,350,000 | \$8,350,000 | \$8,350,000 | \$8,350,000 | \$8,350,000 | \$8,350,000 |
| South Carolina | \$7,000,000 | \$7,000,000 | \$9,976,384 | \$7,155,928 | \$7,078,279 | \$5,000,000 |
| South Dakota | \$1,750,000 | \$1,750,000 | \$1,750,000 | \$1,750,000 | \$1,750,000 | \$1,750,000 |
| Tennessee | \$17,663,800 | \$11,711,200 | \$9,322,000 | \$12,653,000 | \$22,462,800 | \$17,000,000 |
| Texas | \$11,332,929 | \$12,429,142 | \$12,429,142 | \$12,159,712 | \$12,175,446 | \$20,000,000 |
| Utah | \$3,691,600 | \$3,866,500 | \$3,070,555 | \$3,086,030 | \$3,414,584 | \$3,108,100 |
| Vermont | \$828,643 | \$949,081 | \$988,426 | \$965,218 | \$1,600,000 | \$1,800,000 |
| Virginia | \$13,500,000 | \$13,500,000 | \$13,500,000 | \$9,000,000 | \$7,700,000 | \$8,200,000 |
| Washington | \$567,500 | \$907,500 | \$907,500 | \$1,475,000 | \$1,475,000 | \$1,475,000 |
| West Virginia | \$4,161,624 | \$4,245,106 | \$3,796,390 | \$3,424,984 | \$3,021,210 | \$3,247,000 |
| Wisconsin | \$3,441,520 | \$3,125,000 | \$3,125,000 | \$3,125,000 | \$3,125,000 | \$3,125,000 |
| Wyoming | \$673,000 | \$1,764,000 | \$3,252,000 | \$1,352,000 | \$2,000,000 | \$2,443,000 |
| Total | \$633,477,723 | \$607,536,863 | \$584,417,131 | \$513,223,386 | \$552,027,487 | \$571,304,140 |

Table A-2: Real Annual Customized Training Budgets Adjusted to 2006 Dollars

| | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 |
|----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Alabama | \$12,122,034 | \$11,687,826 | \$10,243,058 | \$9,381,995 | \$7,390,111 | \$6,935,161 |
| Alaska | \$2,874,904 | \$2,390,797 | \$2,858,664 | \$2,345,499 | \$3,567,640 | \$3,617,291 |
| Arizona | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,742,025 |
| Arkansas | \$1,956,372 | \$2,356,148 | \$2,137,319 | \$1,563,666 | \$1,911,236 | \$1,890,970 |
| California | \$152,369,926 | \$190,002,522 | \$100,595,595 | \$124,581,165 | \$129,041,529 | \$119,053,767 |
| Colorado | \$1,834,189 | \$2,338,130 | \$2,237,506 | \$2,606,110 | \$2,525,379 | \$2,472,231 |
| Connecticut | \$5,718,185 | \$3,880,714 | \$3,072,396 | \$3,222,455 | \$2,661,759 | \$2,756,324 |
| Delaware | \$1,552,448 | \$1,247,372 | \$1,536,198 | \$651,527 | \$656,191 | \$963,447 |
| Florida | \$2,156,178 | \$2,078,954 | \$2,003,737 | \$0 | \$0 | \$6,236,708 |
| Georgia | \$7,043,515 | \$7,428,795 | \$7,160,019 | \$7,557,718 | \$7,390,111 | \$8,769,511 |
| Hawaii | \$359,363 | \$346,492 | \$333,956 | \$2,606,110 | \$3,185,393 | \$3,118,354 |
| Idaho | \$596,543 | \$575,177 | \$554,367 | \$540,768 | \$509,663 | \$498,937 |
| Illinois | \$50,835,495 | \$45,332,836 | \$40,882,640 | \$26,028,298 | \$20,315,415 | \$21,722,146 |
| Indiana | \$14,662,012 | \$17,463,212 | \$16,831,388 | \$17,070,019 | \$16,691,457 | \$14,680,618 |
| Iowa | \$28,749,043 | \$27,719,385 | \$26,716,489 | \$26,061,097 | \$25,483,141 | \$24,946,832 |
| Kansas | \$3,881,121 | \$4,573,698 | \$4,274,638 | \$5,941,930 | \$10,766,627 | \$5,363,569 |
| Kentucky | \$4,181,548 | \$7,164,075 | \$7,209,444 | \$3,327,937 | \$4,179,872 | \$4,365,696 |
| Louisiana | \$1,149,962 | \$1,108,775 | \$1,068,660 | \$1,303,055 | \$1,274,157 | \$997,873 |
| Maine | \$718,726 | \$0 | \$0 | \$0 | \$0 | \$2,494,683 |
| Maryland | \$1,013,404 | \$1,039,477 | \$2,158,692 | \$1,305,531 | \$1,180,807 | \$1,200,274 |
| Massachusetts | \$2,535,666 | \$2,169,388 | \$1,927,641 | \$1,563,666 | \$1,528,988 | \$1,496,810 |
| Michigan | \$56,014,635 | \$54,008,449 | \$52,054,407 | \$33,879,426 | \$33,128,083 | \$49,893,664 |
| Minnesota | \$3,665,503 | \$3,603,520 | \$3,473,144 | \$1,624,909 | \$1,588,874 | \$2,005,725 |
| Mississippi | \$2,371,796 | \$2,356,148 | \$2,270,902 | \$1,954,582 | \$2,166,067 | \$1,184,975 |
| Missouri | \$14,374,521 | \$13,859,692 | \$11,354,508 | \$11,075,966 | \$10,830,335 | \$10,602,404 |
| Montana | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Nebraska | \$251,554 | \$1,074,126 | \$1,035,264 | \$1,009,868 | \$987,472 | \$835,719 |
| Nevada | \$297,553 | \$207,895 | \$200,374 | \$195,458 | \$0 | \$187,101 |
| New Hampshire | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| New Jersey | \$2,943,902 | \$2,771,938 | \$2,671,649 | \$2,280,346 | \$25,483,141 | \$23,575,754 |
| New Mexico | \$2,113,055 | \$2,979,834 | \$2,872,023 | \$2,215,193 | \$3,185,393 | \$7,484,050 |
| New York | \$38,052,233 | \$36,900,045 | \$30,844,186 | \$6,163,449 | \$2,548,314 | \$2,494,683 |
| North Carolina | \$15,002,688 | \$10,849,367 | \$8,014,947 | \$9,258,205 | \$12,291,793 | \$11,974,479 |
| North Dakota | \$0 | \$0 | \$0 | \$0 | \$47,781 | \$115,379 |
| Ohio | \$20,864,618 | \$19,957,957 | \$18,835,125 | \$13,030,548 | \$12,741,570 | \$12,473,416 |
| Oklahoma | \$3,060,336 | \$6,929,846 | \$6,959,645 | \$6,788,916 | \$6,638,358 | \$4,365,696 |
| Oregon | \$557,731 | \$762,283 | \$734,703 | \$1,025,504 | \$1,003,399 | \$766,242 |
| Pennsylvania | \$22,280,508 | \$13,859,692 | \$8,682,859 | \$9,121,384 | \$8,919,099 | \$9,698,081 |
| Rhode Island | \$5,749,809 | \$5,543,877 | \$5,343,298 | \$8,111,516 | \$7,020,605 | \$4,989,366 |
| South Carolina | \$8,480,968 | \$8,177,218 | \$9,083,606 | \$8,860,773 | \$8,154,605 | \$13,471,289 |
| South Dakota | \$0 | \$0 | \$0 | \$0 | \$0 | \$311,835 |
| Tennessee | \$14,906,379 | \$3,464,923 | \$3,339,561 | \$9,121,384 | \$6,370,785 | \$6,236,708 |
| Texas | \$1,279,332 | \$2,619,482 | \$2,524,708 | \$2,475,804 | \$2,420,898 | \$3,866,759 |
| Utah | \$1,939,123 | \$1,869,672 | \$2,538,066 | \$1,303,055 | \$1,210,449 | \$1,953,337 |
| Vermont | \$925,719 | \$891,178 | \$463,531 | \$452,160 | \$442,132 | \$810,772 |
| Virginia | \$7,293,632 | \$5,959,668 | \$5,744,045 | \$4,459,142 | \$5,717,357 | \$7,484,050 |
| Washington | \$2,156,178 | \$2,078,954 | \$2,003,737 | \$1,549,984 | \$1,515,610 | \$846,945 |
| West Virginia | \$1,814,065 | \$3,464,923 | \$3,339,561 | \$3,995,583 | \$3,287,325 | \$2,369,949 |
| Wisconsin | \$934,344 | \$14,552,677 | \$14,026,157 | \$5,212,219 | \$5,096,628 | \$3,586,107 |
| Wyoming | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total | \$523,640,812 | \$549,647,140 | \$432,212,411 | \$382,823,920 | \$403,055,551 | \$420,907,712 |

Table A-2: Real Annual Customized Training Budgets Adjusted to 2006 Dollars *Continued*

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 |
|----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Alabama | \$20,685,219 | \$14,383,395 | \$14,136,625 | \$16,294,987 | \$20,679,249 | \$6,869,210 |
| Alaska | \$3,787,058 | \$3,835,572 | \$3,769,767 | \$3,724,568 | \$3,676,311 | \$2,398,593 |
| Arizona | \$3,664,895 | \$5,393,773 | \$5,301,234 | \$5,819,638 | \$5,744,236 | \$5,704,879 |
| Arkansas | \$1,856,880 | \$1,797,924 | \$1,767,078 | \$1,745,891 | \$1,723,271 | \$1,689,150 |
| California | \$104,378,646 | \$91,346,917 | \$113,869,784 | \$136,978,901 | \$134,646,038 | \$93,666,001 |
| Colorado | \$2,421,274 | \$4,434,880 | \$4,735,769 | \$6,634,388 | \$6,548,429 | \$4,795,632 |
| Connecticut | \$3,915,941 | \$4,338,287 | \$4,741,874 | \$4,684,671 | \$4,623,974 | \$2,617,750 |
| Delaware | \$635,248 | \$1,014,680 | \$1,270,328 | \$1,050,366 | \$1,036,756 | \$626,413 |
| Florida | \$3,298,405 | \$5,239,152 | \$4,712,208 | \$4,655,711 | \$4,595,389 | \$4,504,400 |
| Georgia | \$7,962,459 | \$10,547,823 | \$11,191,495 | \$11,639,276 | \$11,718,241 | \$56,868,844 |
| Hawaii | \$4,642,200 | \$4,554,742 | \$4,476,598 | \$5,501,886 | \$2,872,118 | \$2,815,250 |
| Idaho | \$122,163 | \$119,862 | \$3,534,156 | \$3,491,783 | \$3,446,542 | \$2,651,308 |
| Illinois | \$26,266,059 | \$18,965,705 | \$21,879,962 | \$24,236,465 | \$23,635,233 | \$18,244,315 |
| Indiana | \$13,563,436 | \$15,582,012 | \$15,314,677 | \$15,131,059 | \$14,935,013 | \$14,639,300 |
| Iowa | \$25,898,590 | \$20,303,361 | \$53,246,777 | \$50,516,788 | \$40,989,316 | \$50,399,032 |
| Kansas | \$5,375,179 | \$10,463,920 | \$14,961,262 | \$11,010,756 | \$4,423,062 | \$37,161,300 |
| Kentucky | \$4,275,711 | \$5,788,118 | \$3,039,374 | \$5,506,542 | \$3,560,277 | \$4,504,400 |
| Louisiana | \$855,142 | \$839,031 | \$8,599,780 | \$8,729,457 | \$8,616,354 | \$64,187,700 |
| Maine | \$2,443,263 | \$3,835,572 | \$3,769,767 | \$3,724,568 | \$3,676,311 | \$6,105,714 |
| Maryland | \$1,980,570 | \$4,392,929 | \$7,743,336 | \$8,924,997 | \$10,454,509 | \$12,140,111 |
| Massachusetts | \$1,465,958 | \$1,438,340 | \$1,413,663 | \$1,396,713 | \$10,339,625 | \$20,269,800 |
| Michigan | \$48,865,264 | \$40,752,954 | \$40,053,771 | \$36,081,757 | \$34,465,415 | \$33,783,000 |
| Minnesota | \$1,964,384 | \$5,393,773 | \$5,301,234 | \$8,904,047 | \$9,096,572 | \$18,937,624 |
| Mississippi | \$1,221,632 | \$8,277,644 | \$5,063,268 | \$5,182,970 | \$6,318,659 | \$16,317,094 |
| Missouri | \$19,882,054 | \$27,268,520 | \$32,985,459 | \$32,589,974 | \$32,167,721 | \$38,287,400 |
| Montana | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Nebraska | \$818,493 | \$922,935 | \$907,100 | \$2,065,972 | \$3,188,051 | \$2,026,980 |
| Nevada | \$183,245 | \$179,792 | \$176,708 | \$581,964 | \$574,424 | \$563,050 |
| New Hampshire | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| New Jersey | \$23,821,816 | \$21,095,647 | \$27,448,614 | \$26,188,372 | \$22,976,943 | \$22,522,000 |
| New Mexico | \$7,329,790 | \$7,191,698 | \$7,068,313 | \$6,983,566 | \$6,893,083 | \$6,756,600 |
| New York | \$2,443,263 | \$7,191,698 | \$0 | \$0 | \$0 | \$3,941,350 |
| North Carolina | \$12,949,295 | \$10,188,238 | \$11,780,521 | \$10,242,563 | \$22,747,174 | \$7,875,581 |
| North Dakota | \$113,001 | \$1,078,755 | \$1,060,247 | \$1,047,535 | \$1,033,962 | \$2,378,191 |
| Ohio | \$12,216,316 | \$10,787,547 | \$10,602,469 | \$10,475,349 | \$14,935,013 | \$20,586,234 |
| Oklahoma | \$4,275,711 | \$5,722,542 | \$6,050,519 | \$8,521,191 | \$9,036,794 | \$7,338,794 |
| Oregon | \$750,448 | \$719,170 | \$706,831 | \$0 | \$0 | \$0 |
| Pennsylvania | \$9,498,186 | \$10,787,547 | \$17,670,781 | \$22,114,625 | \$33,316,568 | \$32,713,205 |
| Rhode Island | \$11,483,337 | \$1,797,924 | \$1,767,078 | \$1,163,928 | \$1,378,617 | \$9,402,935 |
| South Carolina | \$13,437,947 | \$12,660,984 | \$18,339,915 | \$12,451,698 | \$8,811,658 | \$7,882,700 |
| South Dakota | \$305,408 | \$0 | \$258,977 | \$1,356,631 | \$861,635 | \$1,970,675 |
| Tennessee | \$4,520,037 | \$4,674,604 | \$4,358,793 | \$5,237,674 | \$5,169,812 | \$8,371,427 |
| Texas | \$5,497,342 | \$67,463,125 | \$90,224,272 | \$77,401,189 | \$76,398,337 | \$37,479,840 |
| Utah | \$1,913,075 | \$2,996,541 | \$2,945,130 | \$3,375,390 | \$3,216,772 | \$3,206,457 |
| Vermont | \$423,906 | \$513,008 | \$358,128 | \$796,127 | \$654,843 | \$1,033,762 |
| Virginia | \$7,574,116 | \$11,626,578 | \$11,073,690 | \$17,458,915 | \$14,935,013 | \$15,202,350 |
| Washington | \$829,488 | \$668,828 | \$657,353 | \$649,472 | \$641,057 | \$639,062 |
| West Virginia | \$1,710,284 | \$2,397,233 | \$2,356,104 | \$2,327,855 | \$3,446,542 | \$5,248,762 |
| Wisconsin | \$3,512,191 | \$5,393,773 | \$5,301,234 | \$5,295,871 | \$5,227,255 | \$3,875,496 |
| Wyoming | \$0 | \$0 | \$0 | \$174,589 | \$456,092 | \$273,642 |
| Total | \$437,034,324 | \$496,367,053 | \$607,992,025 | \$630,068,635 | \$639,888,266 | \$721,473,315 |

Table A-2: Real Annual Customized Training Budgets Adjusted to 2006 Dollars *Continued*

| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Alabama | \$6,930,862 | \$6,912,565 | \$6,896,222 | \$6,865,829 | \$6,715,818 | \$7,024,000 |
| Alaska | \$3,113,387 | \$4,363,556 | \$5,577,240 | \$4,820,748 | \$5,709,516 | \$6,400,000 |
| Arizona | \$7,813,550 | \$11,735,877 | \$12,813,381 | \$8,576,612 | \$11,249,071 | \$11,033,300 |
| Arkansas | \$1,650,205 | \$1,620,132 | \$1,591,436 | \$1,960,922 | \$1,921,864 | \$2,385,000 |
| California | \$106,913,492 | \$102,025,135 | \$99,433,972 | \$52,616,861 | \$44,902,282 | \$52,182,000 |
| Colorado | \$4,685,064 | \$4,599,685 | \$4,473,032 | \$2,834,778 | \$2,778,314 | \$2,700,000 |
| Connecticut | \$3,634,229 | \$1,867,076 | \$1,401,383 | \$0 | \$374,004 | \$0 |
| Delaware | \$547,438 | \$598,085 | \$834,357 | \$788,268 | \$1,285,082 | \$1,200,000 |
| Florida | \$6,600,821 | \$6,480,529 | \$6,365,743 | \$5,201,386 | \$5,097,782 | \$5,000,000 |
| Georgia | \$47,474,689 | \$36,897,181 | \$31,327,369 | \$24,259,423 | \$23,005,522 | \$22,350,753 |
| Hawaii | \$3,850,479 | \$2,160,176 | \$1,909,723 | \$2,356,228 | \$1,325,423 | \$1,200,000 |
| Idaho | \$1,812,239 | \$2,664,946 | \$5,557,029 | \$2,148,086 | \$3,670,403 | \$3,900,000 |
| Illinois | \$26,463,596 | \$26,126,038 | \$26,640,954 | \$22,518,359 | \$17,842,236 | \$17,500,000 |
| Indiana | \$14,301,778 | \$14,257,165 | \$17,717,986 | \$17,164,573 | \$15,293,345 | \$15,000,000 |
| Iowa | \$50,442,773 | \$39,328,307 | \$32,065,629 | \$32,119,796 | \$63,513,556 | \$62,295,287 |
| Kansas | \$3,960,492 | \$3,888,318 | \$12,004,731 | \$15,017,285 | \$14,711,422 | \$17,453,391 |
| Kentucky | \$6,050,752 | \$5,940,485 | \$5,835,265 | \$5,721,524 | \$5,607,560 | \$5,500,000 |
| Louisiana | \$62,707,796 | \$63,959,705 | \$56,230,733 | \$37,805,777 | \$44,980,320 | \$44,137,783 |
| Maine | \$5,634,901 | \$4,925,202 | \$4,381,753 | \$2,730,727 | \$2,629,436 | \$2,579,000 |
| Maryland | \$11,437,720 | \$10,638,869 | \$7,320,605 | \$5,846,272 | \$3,875,805 | \$3,811,718 |
| Massachusetts | \$19,802,462 | \$19,441,588 | \$19,097,230 | \$32,105,033 | \$21,410,684 | \$21,000,000 |
| Michigan | \$33,004,103 | \$32,402,647 | \$12,464,125 | \$10,452,705 | \$9,989,613 | \$9,798,000 |
| Minnesota | \$18,507,601 | \$9,990,816 | \$9,750,197 | \$7,052,840 | \$6,885,064 | \$6,753,000 |
| Mississippi | \$16,378,622 | \$22,311,626 | \$20,787,539 | \$19,656,039 | \$19,264,519 | \$27,853,750 |
| Missouri | \$41,805,197 | \$37,803,088 | \$28,645,845 | \$27,047,206 | \$26,508,465 | \$31,300,000 |
| Montana | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,300,000 |
| Nebraska | \$2,090,260 | \$2,160,176 | \$1,909,723 | \$1,664,443 | \$1,427,379 | \$8,900,000 |
| Nevada | \$550,068 | \$122,026 | \$1,195,724 | \$686,010 | \$509,778 | \$500,000 |
| New Hampshire | \$0 | \$1,080,088 | \$0 | \$0 | \$0 | \$0 |
| New Jersey | \$22,002,735 | \$19,441,588 | \$19,097,230 | \$33,913,035 | \$27,018,244 | \$28,700,000 |
| New Mexico | \$6,600,821 | \$9,720,794 | \$8,487,658 | \$7,281,940 | \$7,136,895 | \$10,000,000 |
| New York | \$3,850,479 | \$3,780,309 | \$15,737,179 | \$15,430,431 | \$15,123,079 | \$3,500,000 |
| North Carolina | \$11,039,983 | \$9,175,761 | \$7,282,748 | \$6,970,313 | \$8,506,441 | \$8,343,277 |
| North Dakota | \$2,367,568 | \$3,419,596 | \$2,256,199 | \$1,763,923 | \$1,728,788 | \$1,805,781 |
| Ohio | \$20,886,730 | \$12,373,945 | \$13,093,820 | \$13,147,647 | \$26,683,727 | \$17,200,000 |
| Oklahoma | \$6,473,205 | \$6,305,555 | \$5,309,030 | \$4,465,910 | \$5,403,649 | \$5,200,000 |
| Oregon | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Pennsylvania | \$35,259,384 | \$40,503,309 | \$39,785,896 | \$33,809,007 | \$33,135,582 | \$30,000,000 |
| Rhode Island | \$9,186,142 | \$9,018,737 | \$8,858,993 | \$8,686,314 | \$8,513,296 | \$8,350,000 |
| South Carolina | \$7,700,957 | \$7,560,618 | \$10,584,517 | \$7,444,148 | \$7,216,704 | \$5,000,000 |
| South Dakota | \$1,925,239 | \$1,890,154 | \$1,856,675 | \$1,820,485 | \$1,784,224 | \$1,750,000 |
| Tennessee | \$19,432,596 | \$12,649,129 | \$9,890,243 | \$13,162,627 | \$22,902,091 | \$17,000,000 |
| Texas | \$12,467,772 | \$13,424,570 | \$13,186,788 | \$12,649,470 | \$12,413,553 | \$20,000,000 |
| Utah | \$4,061,265 | \$4,176,161 | \$3,257,728 | \$3,210,326 | \$3,481,361 | \$3,108,100 |
| Vermont | \$911,621 | \$1,025,091 | \$1,048,678 | \$1,004,094 | \$1,631,290 | \$1,800,000 |
| Virginia | \$14,851,846 | \$14,581,191 | \$14,322,923 | \$9,362,494 | \$7,850,584 | \$8,200,000 |
| Washington | \$624,328 | \$980,180 | \$962,819 | \$1,534,409 | \$1,503,846 | \$1,475,000 |
| West Virginia | \$4,578,356 | \$4,585,089 | \$4,027,807 | \$3,562,933 | \$3,080,294 | \$3,247,000 |
| Wisconsin | \$3,786,143 | \$3,375,276 | \$3,315,491 | \$3,250,866 | \$3,186,114 | \$3,125,000 |
| Wyoming | \$740,392 | \$1,905,276 | \$3,450,233 | \$1,406,455 | \$2,039,113 | \$2,443,000 |
| Total | \$696,912,137 | \$656,193,422 | \$620,041,578 | \$533,894,554 | \$562,823,135 | \$574,504,140 |

Table A-3: Real Per Capita Spending for State Customized Training

| State | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 |
|----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Alabama | \$7.78 | \$7.30 | \$6.26 | \$5.71 | \$4.41 | \$4.04 | \$11.76 | \$7.97 | \$7.73 |
| Alaska | \$13.45 | \$10.53 | \$12.01 | \$9.66 | \$14.44 | \$14.31 | \$14.60 | \$14.65 | \$14.31 |
| Arizona | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$2.36 | \$2.17 | \$3.00 | \$2.80 |
| Arkansas | \$2.26 | \$2.64 | \$2.31 | \$1.67 | \$1.98 | \$1.90 | \$1.80 | \$1.68 | \$1.63 |
| California | \$12.79 | \$15.52 | \$8.05 | \$10.08 | \$10.62 | \$9.88 | \$8.58 | \$7.35 | \$8.94 |
| Colorado | \$1.28 | \$1.58 | \$1.47 | \$1.69 | \$1.58 | \$1.48 | \$1.38 | \$2.42 | \$2.49 |
| Connecticut | \$3.43 | \$2.33 | \$1.89 | \$2.07 | \$1.74 | \$1.80 | \$2.54 | \$2.78 | \$2.99 |
| Delaware | \$4.65 | \$3.62 | \$4.42 | \$1.91 | \$1.92 | \$2.76 | \$1.79 | \$2.77 | \$3.38 |
| Florida | \$0.43 | \$0.40 | \$0.37 | \$0.00 | \$0.00 | \$1.12 | \$0.57 | \$0.87 | \$0.76 |
| Georgia | \$2.45 | \$2.53 | \$2.39 | \$2.57 | \$2.47 | \$2.82 | \$2.44 | \$3.10 | \$3.17 |
| Hawaii | \$0.75 | \$0.69 | \$0.63 | \$4.83 | \$5.87 | \$5.79 | \$8.66 | \$8.55 | \$8.44 |
| Idaho | \$1.71 | \$1.57 | \$1.44 | \$1.36 | \$1.22 | \$1.14 | \$0.27 | \$0.25 | \$7.20 |
| Illinois | \$9.97 | \$8.69 | \$7.73 | \$4.98 | \$3.88 | \$4.08 | \$4.81 | \$3.39 | \$3.85 |
| Indiana | \$6.12 | \$7.04 | \$6.67 | \$6.81 | \$6.53 | \$5.59 | \$5.00 | \$5.59 | \$5.44 |
| Iowa | \$24.87 | \$23.10 | \$21.79 | \$21.05 | \$20.35 | \$19.51 | \$19.62 | \$14.95 | \$38.49 |
| Kansas | \$3.75 | \$4.30 | \$3.93 | \$5.42 | \$9.66 | \$4.73 | \$4.61 | \$8.73 | \$12.20 |
| Kentucky | \$3.03 | \$5.00 | \$4.90 | \$2.26 | \$2.77 | \$2.82 | \$2.68 | \$3.52 | \$1.82 |
| Louisiana | \$0.76 | \$0.72 | \$0.67 | \$0.81 | \$0.78 | \$0.60 | \$0.50 | \$0.47 | \$4.75 |
| Maine | \$1.36 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$4.80 | \$4.60 | \$7.13 | \$6.95 |
| Maryland | \$0.48 | \$0.48 | \$0.99 | \$0.62 | \$0.57 | \$0.57 | \$0.92 | \$2.01 | \$3.50 |
| Massachusetts | \$0.81 | \$0.70 | \$0.65 | \$0.55 | \$0.55 | \$0.53 | \$0.50 | \$0.48 | \$0.47 |
| Michigan | \$14.67 | \$13.77 | \$13.11 | \$8.71 | \$8.43 | \$12.46 | \$11.78 | \$9.54 | \$9.18 |
| Minnesota | \$1.81 | \$1.73 | \$1.63 | \$0.76 | \$0.72 | \$0.89 | \$0.85 | \$2.26 | \$2.17 |
| Mississippi | \$2.65 | \$2.56 | \$2.42 | \$2.08 | \$2.26 | \$1.18 | \$1.16 | \$7.70 | \$4.65 |
| Missouri | \$6.36 | \$5.99 | \$4.84 | \$4.80 | \$4.64 | \$4.43 | \$8.05 | \$10.82 | \$12.85 |
| Montana | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Nebraska | \$0.37 | \$1.52 | \$1.42 | \$1.37 | \$1.32 | \$1.09 | \$1.03 | \$1.13 | \$1.08 |
| Nevada | \$0.55 | \$0.36 | \$0.32 | \$0.31 | \$0.00 | \$0.28 | \$0.25 | \$0.23 | \$0.21 |
| New Hampshire | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| New Jersey | \$0.81 | \$0.75 | \$0.73 | \$0.65 | \$7.37 | \$6.75 | \$6.71 | \$5.86 | \$7.54 |
| New Mexico | \$3.86 | \$5.30 | \$4.95 | \$3.78 | \$5.30 | \$11.95 | \$11.15 | \$10.54 | \$10.18 |
| New York | \$4.65 | \$4.47 | \$3.76 | \$0.78 | \$0.33 | \$0.32 | \$0.31 | \$0.91 | \$0.00 |
| North Carolina | \$5.02 | \$3.53 | \$2.57 | \$3.01 | \$3.93 | \$3.69 | \$3.86 | \$2.95 | \$3.32 |
| North Dakota | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.17 | \$0.41 | \$0.38 | \$3.58 | \$3.44 |
| Ohio | \$4.44 | \$4.14 | \$3.86 | \$2.70 | \$2.63 | \$2.54 | \$2.41 | \$2.07 | \$2.00 |
| Oklahoma | \$2.70 | \$5.95 | \$5.82 | \$5.61 | \$5.43 | \$3.50 | \$3.34 | \$4.35 | \$4.47 |
| Oregon | \$0.48 | \$0.63 | \$0.59 | \$0.82 | \$0.79 | \$0.59 | \$0.55 | \$0.51 | \$0.48 |
| Pennsylvania | \$4.42 | \$2.70 | \$1.68 | \$1.79 | \$1.76 | \$1.89 | \$1.83 | \$2.05 | \$3.33 |
| Rhode Island | \$12.52 | \$12.00 | \$11.84 | \$19.24 | \$16.53 | \$11.60 | \$26.45 | \$4.09 | \$4.00 |
| South Carolina | \$5.85 | \$5.45 | \$5.88 | \$5.85 | \$5.34 | \$8.58 | \$8.36 | \$7.69 | \$10.95 |
| South Dakota | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.98 | \$0.92 | \$0.00 | \$0.74 |
| Tennessee | \$7.13 | \$1.60 | \$1.52 | \$4.18 | \$2.84 | \$2.68 | \$1.87 | \$1.87 | \$1.72 |
| Texas | \$0.19 | \$0.38 | \$0.36 | \$0.34 | \$0.33 | \$0.52 | \$0.71 | \$8.41 | \$10.93 |
| Utah | \$2.94 | \$2.71 | \$3.51 | \$1.75 | \$1.57 | \$2.41 | \$2.23 | \$3.30 | \$3.09 |
| Vermont | \$3.61 | \$3.40 | \$1.80 | \$1.82 | \$1.76 | \$3.15 | \$1.61 | \$1.90 | \$1.30 |
| Virginia | \$2.63 | \$2.08 | \$1.98 | \$1.58 | \$2.01 | \$2.56 | \$2.52 | \$3.79 | \$3.53 |
| Washington | \$1.11 | \$1.02 | \$0.94 | \$0.71 | \$0.68 | \$0.38 | \$0.36 | \$0.28 | \$0.27 |
| West Virginia | \$2.97 | \$5.64 | \$5.30 | \$6.35 | \$5.14 | \$3.63 | \$2.54 | \$3.49 | \$3.37 |
| Wisconsin | \$0.43 | \$6.51 | \$6.12 | \$2.26 | \$2.16 | \$1.49 | \$1.41 | \$2.11 | \$2.04 |
| Wyoming | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

Table A-3: Real Per Capita Spending for Customized Training *Continued*

| State | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Alabama | \$8.73 | \$10.89 | \$3.58 | \$3.59 | \$3.62 | \$3.66 | \$3.66 | \$3.53 | \$3.65 |
| Alaska | \$13.86 | \$13.37 | \$8.63 | \$10.97 | \$15.08 | \$18.91 | \$16.10 | \$18.78 | \$19.32 |
| Arizona | \$2.93 | \$2.77 | \$2.64 | \$3.48 | \$5.18 | \$5.66 | \$3.73 | \$4.74 | \$4.56 |
| Arkansas | \$1.58 | \$1.54 | \$1.48 | \$1.42 | \$1.40 | \$1.39 | \$1.71 | \$1.66 | \$2.05 |
| California | \$10.43 | \$9.90 | \$6.69 | \$7.38 | \$6.99 | \$6.88 | \$3.66 | \$3.09 | \$3.54 |
| Colorado | \$3.35 | \$3.18 | \$2.25 | \$2.12 | \$2.07 | \$2.05 | \$1.32 | \$1.28 | \$1.21 |
| Connecticut | \$2.91 | \$2.81 | \$1.57 | \$2.15 | \$1.11 | \$0.84 | \$0.00 | \$0.23 | \$0.00 |
| Delaware | \$2.71 | \$2.59 | \$1.52 | \$1.30 | \$1.43 | \$2.01 | \$1.90 | \$3.03 | \$2.75 |
| Florida | \$0.73 | \$0.69 | \$0.66 | \$0.93 | \$0.90 | \$0.89 | \$0.72 | \$0.68 | \$0.65 |
| Georgia | \$3.22 | \$3.13 | \$14.75 | \$12.02 | \$9.36 | \$8.10 | \$6.31 | \$5.91 | \$5.72 |
| Hawaii | \$10.35 | \$5.41 | \$5.26 | \$6.98 | \$3.89 | \$3.43 | \$4.15 | \$2.28 | \$2.02 |
| Idaho | \$6.88 | \$6.61 | \$4.92 | \$3.24 | \$4.69 | \$9.78 | \$3.76 | \$6.25 | \$6.32 |
| Illinois | \$4.20 | \$4.01 | \$3.06 | \$4.38 | \$4.36 | \$4.53 | \$3.88 | \$3.07 | \$2.97 |
| Indiana | \$5.29 | \$5.12 | \$4.93 | \$4.77 | \$4.86 | \$6.11 | \$5.93 | \$5.22 | \$5.11 |
| Iowa | \$35.90 | \$28.41 | \$34.32 | \$34.12 | \$26.83 | \$22.16 | \$22.30 | \$43.62 | \$42.48 |
| Kansas | \$8.68 | \$3.37 | \$28.00 | \$2.94 | \$2.89 | \$8.99 | \$11.44 | \$11.12 | \$13.14 |
| Kentucky | \$3.22 | \$2.03 | \$2.51 | \$3.32 | \$3.29 | \$3.26 | \$3.21 | \$3.12 | \$3.05 |
| Louisiana | \$4.72 | \$4.56 | \$33.85 | \$32.66 | \$33.36 | \$29.63 | \$19.82 | \$23.42 | \$23.01 |
| Maine | \$6.73 | \$6.46 | \$10.41 | \$9.34 | \$8.10 | \$7.22 | \$4.50 | \$4.28 | \$4.10 |
| Maryland | \$3.93 | \$4.49 | \$5.07 | \$4.65 | \$4.30 | \$2.95 | \$2.35 | \$1.54 | \$1.47 |
| Massachusetts | \$0.45 | \$3.25 | \$6.26 | \$5.96 | \$5.84 | \$5.88 | \$10.08 | \$6.73 | \$6.54 |
| Michigan | \$8.11 | \$7.64 | \$7.37 | \$7.06 | \$7.11 | \$2.78 | \$2.37 | \$2.28 | \$2.28 |
| Minnesota | \$3.56 | \$3.55 | \$7.22 | \$6.89 | \$3.71 | \$3.66 | \$2.65 | \$2.57 | \$2.48 |
| Mississippi | \$4.68 | \$5.57 | \$14.15 | \$14.20 | \$19.75 | \$18.50 | \$17.63 | \$17.12 | \$24.64 |
| Missouri | \$12.35 | \$11.98 | \$14.04 | \$15.21 | \$13.85 | \$10.61 | \$10.09 | \$9.84 | \$11.60 |
| Montana | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$3.05 |
| Nebraska | \$2.41 | \$3.62 | \$2.26 | \$2.29 | \$2.35 | \$2.10 | \$1.82 | \$1.55 | \$9.54 |
| Nevada | \$0.65 | \$0.62 | \$0.57 | \$0.54 | \$0.12 | \$1.14 | \$0.63 | \$0.44 | \$0.41 |
| New Hampshire | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$1.72 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| New Jersey | \$7.03 | \$6.04 | \$5.77 | \$5.51 | \$4.86 | \$4.79 | \$8.52 | \$6.75 | \$7.04 |
| New Mexico | \$9.86 | \$9.58 | \$9.26 | \$8.86 | \$12.84 | \$11.08 | \$9.39 | \$9.03 | \$12.43 |
| New York | \$0.00 | \$0.00 | \$0.47 | \$0.45 | \$0.44 | \$1.86 | \$1.84 | \$1.79 | \$0.41 |
| North Carolina | \$2.80 | \$6.03 | \$2.03 | \$2.81 | \$2.35 | \$1.90 | \$1.84 | \$2.22 | \$2.17 |
| North Dakota | \$3.34 | \$3.24 | \$7.34 | \$7.22 | \$10.37 | \$6.84 | \$5.30 | \$5.13 | \$5.35 |
| Ohio | \$1.94 | \$2.72 | \$3.70 | \$3.71 | \$2.23 | \$2.40 | \$2.44 | \$4.94 | \$3.17 |
| Oklahoma | \$6.12 | \$6.27 | \$5.02 | \$4.35 | \$4.18 | \$3.57 | \$3.06 | \$3.67 | \$3.50 |
| Oregon | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Pennsylvania | \$4.09 | \$6.06 | \$5.86 | \$6.20 | \$7.13 | \$7.05 | \$6.03 | \$5.88 | \$5.27 |
| Rhode Island | \$2.59 | \$3.01 | \$20.20 | \$19.27 | \$18.85 | \$18.48 | \$17.94 | \$17.43 | \$16.93 |
| South Carolina | \$7.24 | \$4.94 | \$4.31 | \$4.14 | \$4.15 | \$5.86 | \$4.12 | \$3.95 | \$2.76 |
| South Dakota | \$3.82 | \$2.37 | \$5.28 | \$5.10 | \$4.99 | \$4.92 | \$4.81 | \$4.66 | \$4.44 |
| Tennessee | \$2.03 | \$1.96 | \$3.12 | \$7.12 | \$4.71 | \$3.71 | \$4.94 | \$8.48 | \$6.27 |
| Texas | \$8.99 | \$8.55 | \$4.09 | \$1.32 | \$1.41 | \$1.40 | \$1.35 | \$1.31 | \$2.09 |
| Utah | \$3.40 | \$3.14 | \$3.06 | \$3.78 | \$3.86 | \$3.03 | \$2.99 | \$3.16 | \$2.74 |
| Vermont | \$2.85 | \$2.30 | \$3.55 | \$3.05 | \$3.39 | \$3.50 | \$3.36 | \$5.38 | \$5.94 |
| Virginia | \$5.40 | \$4.50 | \$4.46 | \$4.22 | \$4.15 | \$4.10 | \$2.68 | \$2.19 | \$2.25 |
| Washington | \$0.26 | \$0.25 | \$0.24 | \$0.23 | \$0.36 | \$0.36 | \$0.58 | \$0.56 | \$0.53 |
| West Virginia | \$3.29 | \$4.79 | \$7.23 | \$6.22 | \$6.24 | \$5.49 | \$4.90 | \$4.18 | \$4.35 |
| Wisconsin | \$1.99 | \$1.92 | \$1.39 | \$1.34 | \$1.20 | \$1.19 | \$1.17 | \$1.14 | \$1.10 |
| Wyoming | \$0.78 | \$2.00 | \$1.17 | \$3.09 | \$7.76 | \$13.92 | \$5.63 | \$7.98 | \$9.04 |

Table A-4: FY 2006 Program Characteristics

| State | Region | Employment 2006 | Customized Training Budget 2006 | Per Capita 2006 | Employ Rank | Budget Rank | Per Capita Rank | Year Created | New Jobs | Incmbnt Worker |
|----------------|--------|-----------------|---------------------------------|-----------------|-------------|-------------|-----------------|--------------|----------|----------------|
| Alabama | SE | 1,923,900 | \$7,024,000 | \$3.65 | 23 | 23 | 24 | 1971 | Yes | Yes |
| Alaska | FW | 331,300 | \$6,400,000 | \$19.32 | 48 | 25 | 4 | 1989 | Yes | Yes |
| Arizona | SW | 2,420,300 | \$11,033,300 | \$4.56 | 21 | 16 | 20 | 1993 | Yes | Yes |
| Arkansas | SE | 1,161,800 | \$2,385,000 | \$2.05 | 33 | 39 | 39 | 1969 | Yes | Yes |
| California | FW | 14,735,400 | \$52,182,000 | \$3.54 | 1 | 2 | 25 | 1983 | Yes | Yes |
| Colorado | RM | 2,234,400 | \$2,700,000 | \$1.21 | 22 | 36 | 42 | 1984 | Yes | Yes |
| Connecticut | NE | 1,664,900 | \$0 | \$0.00 | 27 | 48 | 48 | | | |
| Delaware | MA | 436,400 | \$1,200,000 | \$2.75 | 44 | 45 | 32 | 1984 | No | Yes |
| Florida | SE | 7,654,900 | \$5,000,000 | \$0.65 | 4 | 28 | 44 | 1968 | Yes | No |
| Georgia | SE | 3,906,700 | \$22,350,753 | \$5.72 | 10 | 8 | 16 | 1967 | Yes | Yes |
| Hawaii | FW | 594,700 | \$1,200,000 | \$2.02 | 42 | 45 | 40 | 1987 | No | Yes |
| Idaho | RM | 616,700 | \$3,900,000 | \$6.32 | 41 | 30 | 13 | 1982 | Yes | No |
| Illinois | GL | 5,885,400 | \$17,500,000 | \$2.97 | 5 | 11 | 30 | 1978 | Yes | Yes |
| Indiana | GL | 2,934,800 | \$15,000,000 | \$5.11 | 14 | 15 | 19 | 1981 | No | Yes |
| Iowa | PL | 1,466,600 | \$62,295,287 | \$42.48 | 30 | 1 | 1 | 1983 | Yes | Yes |
| Kansas | PL | 1,328,000 | \$17,453,391 | \$13.14 | 31 | 12 | 6 | 1973 | Yes | Yes |
| Kentucky | SE | 1,804,100 | \$5,500,000 | \$3.05 | 26 | 26 | 28 | 1984 | Yes | Yes |
| Louisiana | SE | 1,917,900 | \$44,137,783 | \$23.01 | 24 | 3 | 3 | 1960s | Yes | Yes |
| Maine | NE | 628,500 | \$2,579,000 | \$4.10 | 40 | 37 | 23 | 1993 | Yes | Yes |
| Maryland | MA | 2,598,100 | \$3,811,718 | \$1.47 | 20 | 31 | 41 | mid 70's | Yes | Yes |
| Massachusetts | NE | 3,213,000 | \$21,000,000 | \$6.54 | 13 | 9 | 12 | 1981 | Yes | Yes |
| Michigan | GL | 4,300,400 | \$9,798,000 | \$2.28 | 8 | 18 | 35 | 1978 | Yes | Yes |
| Minnesota | PL | 2,727,900 | \$6,753,000 | \$2.48 | 17 | 24 | 34 | 1983 | No | Yes |
| Mississippi | SE | 1,130,400 | \$27,853,750 | \$24.64 | 35 | 7 | 2 | 1982 | Yes | Yes |
| Missouri | PL | 2,698,500 | \$31,300,000 | \$11.60 | 19 | 4 | 8 | 1986 | Yes | Yes |
| Montana | RM | 425,900 | \$1,300,000 | \$3.05 | 45 | 44 | 28 | 2005 | Yes | No |
| Nebraska | PL | 933,300 | \$8,900,000 | \$9.54 | 36 | 19 | 9 | Early 80s | Yes | Yes |
| Nevada | FW | 1,227,800 | \$500,000 | \$0.41 | 32 | 47 | 46 | 1985 | Yes | No |
| New Hampshire | ne | 643,800 | \$0 | \$0.00 | 39 | 48 | 48 | | | |
| New Jersey | MA | 4,076,900 | \$28,700,000 | \$7.04 | 9 | 6 | 11 | 1978 | Yes | Yes |
| New Mexico | SW | 804,300 | \$10,000,000 | \$12.43 | 37 | 17 | 7 | 1972 | Yes | Yes |
| New York | MA | 8,529,200 | \$3,500,000 | \$0.41 | 3 | 32 | 46 | 1981 | Yes | Yes |
| North Carolina | SE | 3,848,700 | \$8,343,277 | \$2.17 | 11 | 21 | 37 | 1958 | Yes | Yes |
| North Dakota | PL | 337,800 | \$1,805,781 | \$5.35 | 47 | 40 | 17 | 1992 | Yes | Yes |
| Ohio | GL | 5,428,100 | \$17,200,000 | \$3.17 | 7 | 13 | 27 | 1981 | Yes | Yes |
| Oklahoma | SW | 1,483,700 | \$5,200,000 | \$3.50 | 29 | 27 | 26 | 1968 | Yes | Yes |
| Oregon | FW | 1,644,200 | \$0 | \$0.00 | 28 | 49 | 48 | | | |
| Pennsylvania | MA | 5,688,500 | \$30,000,000 | \$5.27 | 6 | 5 | 18 | 1982 | Yes | Yes |
| Rhode Island | NE | 493,100 | \$8,350,000 | \$16.93 | 43 | 20 | 5 | 1988 | Yes | Yes |
| South Carolina | SE | 1,812,700 | \$5,000,000 | \$2.76 | 25 | 28 | 31 | 1961 | Yes | No |
| South Dakota | PL | 394,400 | \$1,750,000 | \$4.44 | 46 | 42 | 21 | 1993 | Yes | Yes |
| Tennessee | SE | 2,710,000 | \$17,000,000 | \$6.27 | 18 | 14 | 14 | 1973 | Yes | Yes |
| Texas | SW | 9,554,600 | \$20,000,000 | \$2.09 | 2 | 10 | 38 | 1970 | Yes | Yes |
| Utah | RM | 1,135,700 | \$3,108,100 | \$2.74 | 34 | 35 | 33 | 1982 | Yes | Yes |
| Vermont | NE | 303,200 | \$1,800,000 | \$5.94 | 49 | 41 | 15 | 1977 | Yes | Yes |
| Virginia | SE | 3,640,000 | \$8,200,000 | \$2.25 | 12 | 22 | 36 | 1965 | Yes | Yes |
| Washington | FW | 2,777,400 | \$1,475,000 | \$0.53 | 16 | 43 | 45 | 1983 | Yes | Yes |
| West Virginia | SE | 745,700 | \$3,247,000 | \$4.35 | 38 | 33 | 22 | Late 60's | Yes | Yes |
| Wisconsin | GL | 2,846,600 | \$3,125,000 | \$1.10 | 15 | 34 | 43 | 1983 | Yes | Yes |
| Wyoming | RM | 270,200 | \$2,443,000 | \$9.04 | 50 | 38 | 10 | 1997 | Yes | Yes |

Table A-4: FY 2006 Program Characteristics *Continued*

| State | New Job % | Incmbnt Worker % | Source of Money | State Agency | Consortia | Central Admin | Local Role |
|----------------|-----------|------------------|-------------------------------|-----------------------|-----------|---------------|------------|
| Alabama | 90% | 10% | General fund | College | No | Yes | No |
| Alaska | 75% | 25% | UI off-set tax | Wrkfrc Dev | Yes | Yes | Yes |
| Arizona | 45% | 55% | UI off-set tax | Econ Dev | Yes | Yes | No |
| Arkansas | 60% | 40% | General Fund | Econ Dev | No | Yes | No |
| California | 10% | 90% | UI off-set tax | Wrkfrc Dev | Yes | Yes | No |
| Colorado | 35% | 65% | General Fund | Econ Dev & College | Yes | Yes | No |
| Connecticut | | | | | | | |
| Delaware | 0% | 100% | UI off-set tax | Econ Dev | Yes | Yes | No |
| Florida | 100% | 0% | General Fund | Wrkfrc Dev | No | Yes | No |
| Georgia | 50% | 50% | General Fund | College | No | Yes | No |
| Hawaii | 0% | 100% | UI off-set tax | Wrkfrc Dev | Yes | Yes | Yes |
| Idaho | 100% | 0% | UI off-set tax | Wrkfrc Dev & Econ Dev | No | Yes | No |
| Illinois | | | General Fund | Econ Dev | Yes | Yes | No |
| Indiana | 0% | 100% | UI off-set tax | Wrkfrc Dev & Econ Dev | Yes | Yes | No |
| Iowa | 90% | 10% | Bonds | Econ Dev | Yes | Yes | Yes |
| Kansas | 60% | 40% | Lottery Funds, Bonds | Econ Dev | No | Yes | No |
| Kentucky | | | General fund | Econ Dev | Yes | Yes | No |
| Louisiana | 5% | 95% | UI tax off-set & General fund | Wrkfrc Dev & Econ Dev | Yes | Yes | No |
| Maine | 50% | 50% | General Fund | Wrkfrc Dev & Econ Dev | Yes | Yes | Yes |
| Maryland | 65% | 35% | General fund | Econ Dev | Yes | Yes | No |
| Massachusetts | 25% | 75% | UI off-set tax | Wrkfrc Dev | Yes | Yes | No |
| Michigan | 15% | 85% | General Fund | Econ Dev & College | Yes | Yes | Yes |
| Minnesota | 0% | 100% | General Fund | Wrkfrc Dev | Yes | Yes | Yes |
| Mississippi | 30% | 70% | UI off-set tax | College | Yes | Yes | No |
| Missouri | 60% | 40% | General Fund & bonds | Econ Dev | Yes | Yes | Yes |
| Montana | 100% | 0% | General Fund | Econ Dev | No | Yes | No |
| Nebraska | | | General Fund & UI interest | Econ Dev & Wrkfrc Dev | Yes | Yes | No |
| Nevada | 100% | 0% | General Fund | Econ Dev | No | Yes | No |
| New Hampshire | | | | | | | |
| New Jersey | | | UI off-set tax | Wrkfrc Dev | Yes | Yes | No |
| New Mexico | 100% | 0% | General Fund | Econ Dev | No | Yes | No |
| New York | | | General Fund | Econ Dev | No | Yes | No |
| North Carolina | 75% | 25% | General Fund | College | Yes | No | Yes |
| North Dakota | 90% | 80% | General fund & Bonds | Wrkfrc Dev | Yes | Yes | No |
| Ohio | 20% | 80% | General Fund | Econ Dev | No | Yes | No |
| Oklahoma | 80% | 20% | General Fund | College | No | Yes | Yes |
| Oregon | | | | | | | |
| Pennsylvania | 20% | 80% | General Fund | Econ Dev & College | Yes | Yes | Yes |
| Rhode Island | 15% | 85% | UI off-set tax & tax credit | Wrkfrc Dev | Yes | Yes | No |
| South Carolina | 100% | 0% | General Fund | College | No | Yes | Yes |
| South Dakota | 60% | 40% | General Fund & UI off-set tax | Econ Dev | Yes | Yes | No |
| Tennessee | 50% | 50% | General fund & UI interest | Econ Dev | No | Yes | No |
| Texas | 20% | 80% | General Fund | Wrkfrc Dev | Yes | Yes | No |
| Utah | 40% | 60% | General Fund | College | No | No | Yes |
| Vermont | 35% | 65% | General fund | Econ Dev | No | Yes | No |
| Virginia | 80% | 20% | General Fund | Econ Dev | No | Yes | No |
| Washington | | | General Fund | College | Yes | Yes | No |
| West Virginia | 40% | 60% | General Fund | Wrkfrc Dev | Yes | Yes | No |
| Wisconsin | | | General Fund | Econ Dev | No | Yes | No |
| Wyoming | 25% | 75% | General fund & UI interest | Wrkfrc Dev | Yes | Yes | No |

Table A-4: FY 2006 Program Characteristics *Continued*

| State | Contracting | Direct Service Provider | Training Provider Choice | Trainees 2005 | Cost Per Trainee | Recruit Screen | Class | OJT |
|----------------|-------------|-------------------------|--------------------------|---------------|------------------|----------------|-------|-----|
| Alabama | No | Yes | No | 2,200 | \$3,193 | Yes | Yes | Yes |
| Alaska | Yes | No | Yes | 2,100 | \$3,048 | No | Yes | Yes |
| Arizona | Yes | No | Yes | 10,000 | \$1,103 | No | Yes | Yes |
| Arkansas | Yes | No | Yes | | N.A. | Yes | Yes | Yes |
| California | Yes | No | Yes | 70,000 | \$745 | No | Yes | No |
| Colorado | Yes | No | Yes | | N.A. | Yes | Yes | Yes |
| Connecticut | | | | | | | | |
| Delaware | Yes | No | Yes | 6,109 | \$196 | No | Yes | Yes |
| Florida | Yes | No | Yes | 6,650 | \$752 | No | Yes | Yes |
| Georgia | Yes | Yes | Yes | 63,500 | \$352 | Yes | Yes | Yes |
| Hawaii | Yes | No | No | 3,124 | \$384 | No | Yes | No |
| Idaho | Yes | No | Yes | 2,200 | \$1,773 | No | Yes | Yes |
| Illinois | Yes | No | Yes | 56,000 | \$313 | No | Yes | Yes |
| Indiana | Yes | No | No | 25,000 | \$600 | No | Yes | Yes |
| Iowa | Yes | No | Yes | 7,455 | \$8,356 | No | Yes | Yes |
| Kansas | Yes | Yes | Yes | 5,600 | \$891 | Yes | Yes | Yes |
| Kentucky | Yes | No | Yes | 28,817 | \$191 | No | Yes | Yes |
| Louisiana | Yes | No | Yes | 36,000 | \$1,226 | No | Yes | No |
| Maine | Yes | Yes | Yes | 2,000 | \$1,290 | No | Yes | Yes |
| Maryland | Yes | No | Yes | 9,000 | \$424 | No | Yes | Yes |
| Massachusetts | Yes | No | Yes | 25,669 | \$818 | No | Yes | Yes |
| Michigan | Yes | No | No | 20,000 | \$490 | No | Yes | No |
| Minnesota | No | Yes | No | - | N.A. | No | Yes | Yes |
| Mississippi | Yes | Yes | Yes | 151,385 | \$184 | Yes | Yes | Yes |
| Missouri | Yes | No | Yes | | N.A. | Yes | Yes | Yes |
| Montana | Yes | No | Yes | | N.A. | No | Yes | Yes |
| Nebraska | Yes | No | Yes | 14,000 | \$636 | No | Yes | Yes |
| Nevada | Yes | No | Yes | 500 | \$1,000 | Yes | Yes | No |
| New Hampshire | | | | | | | | |
| New Jersey | Yes | No | Yes | 61,156 | \$469 | No | Yes | Yes |
| New Mexico | Yes | No | Yes | 900 | \$11,111 | No | Yes | Yes |
| New York | Yes | No | Yes | | N.A. | No | Yes | Yes |
| North Carolina | No | Yes | No | 24,000 | \$348 | Yes | Yes | Yes |
| North Dakota | Yes | No | Yes | 896 | \$2,015 | No | Yes | Yes |
| Ohio | Yes | No | Yes | 53,000 | \$325 | No | Yes | Yes |
| Oklahoma | No | Yes | No | 20,000 | \$260 | Yes | Yes | Yes |
| Oregon | | | | | | | | |
| Pennsylvania | Yes | No | Yes | 139,000 | \$216 | No | Yes | Yes |
| Rhode Island | Yes | No | Yes | - | N.A. | No | Yes | No |
| South Carolina | No | Yes | No | 5,000 | \$1,000 | Yes | Yes | Yes |
| South Dakota | Yes | No | Yes | 1,805 | \$970 | No | Yes | Yes |
| Tennessee | Yes | No | Yes | | N.A. | No | Yes | Yes |
| Texas | Yes | No | No | 12,000 | \$1,667 | Yes | Yes | Yes |
| Utah | No | Yes | No | 18,959 | \$164 | No | Yes | Yes |
| Vermont | Yes | No | Yes | 2,443 | \$737 | No | Yes | Yes |
| Virginia | Yes | Yes | Yes | 13,000 | \$631 | Yes | Yes | Yes |
| Washington | No | Yes | No | 3,500 | \$421 | No | Yes | No |
| West Virginia | Yes | No | Yes | 12,282 | \$264 | No | Yes | Yes |
| Wisconsin | Yes | No | Yes | | N.A. | No | Yes | No |
| Wyoming | Yes | No | Yes | 3,000 | \$814 | Yes | Yes | Yes |

Table A-4: FY 2006 Program Characteristics *Continued*

| State | CBT Web | ESL | Basic Literacy | Basic Math | Welfare-to-work | Number Staff | Economic Dev Links | Community College Links | WIA Links |
|----------------|---------|-----|----------------|------------|-----------------|--------------|--------------------|-------------------------|-----------|
| Alabama | No | Yes | No | Yes | No | 147 | High | High | Low |
| Alaska | Yes | No | Yes | Yes | No | 2 | Low | Low | Medium |
| Arizona | Yes | Yes | No | Yes | No | 3 | Medium | Low | Low |
| Arkansas | Yes | Yes | No | No | No | 18 | Medium | Medium | Low |
| California | Yes | Yes | Yes | Yes | No | 88 | Low | Low | Low |
| Colorado | Yes | No | No | No | No | 1 | High | High | Low |
| Connecticut | | | | | | | | | |
| Delaware | No | Yes | No | No | No | 4 | Medium | Low | Low |
| Florida | Yes | No | No | No | No | 2 | High | Medium | Medium |
| Georgia | Yes | No | No | Yes | No | 90 | Medium | High | Low |
| Hawaii | No | Yes | Yes | Yes | No | 2 | Low | Low | Low |
| Idaho | Yes | No | Yes | Yes | No | 2 | High | Low | Low |
| Illinois | Yes | Yes | Yes | Yes | No | 7 | Low | Low | Low |
| Indiana | Yes | No | No | No | No | 15 | Medium | Low | Medium |
| Iowa | Yes | Yes | Yes | Yes | No | 28 | High | High | Low |
| Kansas | Yes | Yes | No | Yes | No | | Medium | High | Low |
| Kentucky | Yes | Yes | Yes | Yes | No | 7 | High | Low | Low |
| Louisiana | Yes | Yes | No | No | No | 31 | Low | Low | Low |
| Maine | Yes | Yes | Yes | Yes | No | 4 | Medium | High | Low |
| Maryland | Yes | No | No | No | No | 3 | Medium | Medium | Low |
| Massachusetts | Yes | Yes | Yes | Yes | No | 12 | Low | Low | Low |
| Michigan | Yes | No | No | Yes | No | 6 | High | High | Medium |
| Minnesota | Yes | Yes | No | No | Yes | 6 | Low | High | Low |
| Mississippi | Yes | Yes | Yes | Yes | No | 6 | Medium | Medium | Low |
| Missouri | Yes | No | No | No | No | 6 | High | High | Low |
| Montana | Yes | No | No | No | No | 1 | High | Low | Low |
| Nebraska | Yes | Yes | Yes | Yes | No | 3 | High | Low | Low |
| Nevada | No | Yes | No | No | No | | High | High | Low |
| New Hampshire | | | | | | | | | |
| New Jersey | Yes | Yes | Yes | Yes | No | 29 | Medium | Low | Low |
| New Mexico | Yes | Yes | No | No | No | 4 | High | Low | Low |
| New York | Yes | Yes | Yes | Yes | No | 11 | High | Low | Low |
| North Carolina | Yes | Yes | Yes | Yes | No | 30 | High | High | Low |
| North Dakota | Yes | No | No | No | No | 2 | High | Low | Medium |
| Ohio | No | Yes | No | Yes | No | 4 | Medium | Low | Low |
| Oklahoma | Yes | Yes | Yes | Yes | No | 6 | High | High | Low |
| Oregon | | | | | | | | | |
| Pennsylvania | Yes | Yes | No | Yes | No | 3 | Medium | High | Low |
| Rhode Island | Yes | Yes | Yes | Yes | No | 4 | Low | Low | Medium |
| South Carolina | Yes | No | No | Yes | No | 22 | High | High | Low |
| South Dakota | Yes | No | Yes | Yes | No | 1 | Medium | Low | Low |
| Tennessee | No | No | No | No | No | 7 | High | Low | Low |
| Texas | Yes | Yes | Yes | Yes | No | 0 | Low | High | Low |
| Utah | No | No | No | No | No | 4 | Low | High | Low |
| Vermont | No | No | No | No | No | 1 | Medium | Low | Low |
| Virginia | Yes | Yes | Yes | Yes | No | 15 | High | Low | Low |
| Washington | Yes | Yes | Yes | Yes | No | 1 | Low | High | Low |
| West Virginia | Yes | No | No | No | No | 2 | Low | Low | Medium |
| Wisconsin | No | No | No | No | No | 1 | Medium | Low | Low |
| Wyoming | Yes | No | No | No | No | 4 | Low | Low | Medium |