



CSG-WEST Fiscal Affairs Committee Forum

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PANELIST SNAPSHOT: Idaho's Workforce Development Training Fund

"Serving Western Legislatures"

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The Idaho Workforce Development Training Fund was started in 1996 as a way to encourage business expansion or relocation from another state. The funds can be used to help employees advance their skills or gain specialized skills for a new job. It can be used for job skill training for new employees of companies expanding in Idaho and skill upgrade training of current workers who are at risk of being permanently laid off due to the lack of a specific skill

The fund is paid for by businesses: three percent of the unemployment insurance tax paid by employers is set aside for the pool of grant money. The set-aside brings in about \$3 million a year in normal economic times. Since the Unemployment Insurance Trust Fund became insolvent and tax rates rose to the maximum to restore fund solvency, the training fund has been getting about \$8 million a year.

In order to qualify for the training grants, businesses must pay their employees at least \$12 an hour and provide health benefits. Companies in urban areas must create a minimum of five new jobs; rural businesses need one in order to qualify. An eligible company must generate at least half of its revenue from products or services sold outside of Idaho or in the health care sector.

Urban companies typically receive \$2,000 per employee for training. Rural businesses can receive \$3,000 per employee. Businesses typically have two years to use the grant money. The application process is designed for quick response and turnaround with minimal paperwork.

Training can be provided by the company or through the local community college, who can respond quickly and partner with the business to design a specialized, high-quality, short-term program that addresses the business' specific needs.

As of April 2012, the Workforce Development Training Fund had a \$16.8 million balance. Active grant programs range from ~\$10,000 up to nearly \$6 million.

For more information on the Workforce Training Fund and other Idaho workforce development initiatives, visit <http://www.commerce.idaho.gov/business/workforce/>.