



Arizona Job Training Program

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 businesses for training new or to supplement training programs for incumbent employees. The Program is streamlined, flexible and tailored to meet the specific needs of each employer.

Once awarded, an employer may take up to two years to complete the approved training program. As soon as the training is complete, the employer may apply for a new grant for additional job-specific training. All applications are taken on a first-come, first-served basis, and grants are awarded based on the availability of funds at the time the application is approved.

How is the Arizona Job Training Program funded?

Effective January 1, 2001 the business community began funding the Arizona Job Training Program. Employers pay into the Job Training Tax equal to one-tenth of one percent on the first \$7,000 of an employee's wages or \$7.00 per year, whichever is lower.

Who can apply?

- An employer, excluding government agencies, with at least one business location in this state.
- A consortium of at least two employers with same or similar training needs.
- A professional or trade association or a joint apprenticeship training committee.
- A Small Business Development Center on behalf of a consortium of employers.

What is required to be eligible for the Arizona Job Training Program?

A company must:

- Pay into the Arizona Job Training Fund, unless exempt; or
- Be a rural non-profit organization that opts for unemployment tax reimbursement and therefore is not liable for the Job Training Tax but is able to provide documentation to the Department that a skilled worker shortage exists in the geographical area and the proposed training will increase the number of skilled workers.
- Meet or exceed the average annual qualifying wage rate for trainees at the end of grant.
- Maintain or exceed current level of expenditures for training.

How much money can a company receive?

- A single employer can currently receive up to \$1,500,000, 10% of the estimated annual Fund amount.
- Award amounts range from \$2,000 to \$5,000 per position for urban employers with 100 or more employees.
- Award amounts range from \$5,000 to \$8,000 per position for rural or small employers or employers located in an enterprise zone.
- However, the grant amount will never exceed the actual cost of training.

Is the company required to pay for a portion of the training costs?

- Incumbent Employee Program Grant – Company match at least 50% of the training costs.
- Net New Employee Program Grant – Company match at least 25% of the training costs.

Eligible Costs for Reimbursement

- Course design and development.
- Instruction costs for job-specific training.
- Training materials and supplies.
- Training facility rental.
- Travel costs (subject to limitations).

Eligible Costs for Match Only

- Equipment and machinery, pro-rated value used toward training.
- Employer training space, pro-rated.
- Trainee wages, excluding fringe benefits, paid by a small or rural business during training.
- Related training that is not job specific, including time, stress, or life management training classes.

Ineligible Costs

- Trainee wages for large employers.
- Fringe benefits/signing bonuses.
- Cost to complete application.
- Recruitment/relocation expenses.
- Training of employer officers or partners.
- Management fees.
- Food and beverage.
- Conferences; seminars; tradeshow.
- Drug and other testing associated with screening and pre-screening employees.

How does a company apply?

- Contact the Arizona Department of Commerce Job Training Program staff for an application and instructions:
- Cindy Grogan – 602-771-1221
cindyg@azcommerce.com
- Justin John – 602-771-1130
justinj@azcommerce.com