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ABSTRACT

State and local governments have been in the front lines of dealing with the adverse effects of recent economic change. States have embarked on a dual approach to economic adjustment. First, they have established programs that respond to economic change and cushion its deleterious effects on communities and individuals. Second, they have attempted to anticipate and prepare for the massive dislocations that are taking place in the economy. State training programs have been key elements of both strategies. Most of the training programs have been job specific and company specific. Historically, state job-specific training programs have been heavily directed at influencing the locational decisions of firms. Today, as a result of changing demographics and economic conditions, some states have also begun directing their state job training programs inward as a job retention strategy. Following an introductory section and a section on training for expansion, modernization, and retention, this paper briefly describes the job-specific training programs in 17 states. Information is drawn from interviews with state officials, a meeting on "State Strategies for Training a Competitive Workforce," and a 50-state survey on state industry-specific training programs conducted in 1986. (KC)

STATE STRATEGIES TO TRAIN A COMPETITIVE WORKFORCE: THE EMERGING ROLE OF STATE-FUNDED JOB TRAINING PROGRAMS

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The National Governors' Association Center for Policy Research

The National Governors' Association, founded in 1908, represents the Governors of the fifty states and the Commonwealth of Puerto Rico and the Northern Mariana Islands, the territories of the Virgin Islands, Guam and American Samoa. Its missions are to influence the development and implementation of national policy and to apply creative leadership to state problems.

NGA membership is organized into seven standing committees in major substantive areas: Agriculture, Criminal Justice and Public Protection, Economic Development and Technological Innovation, Energy and Environment, Human Resources, International Trade and Foreign Relations, and Transportation, Commerce and Communications. Special committees and task forces are formed in response to principal concerns of the Governors.

The Center for Policy Research and Analysis of the National Governors' Association serves as a vehicle for sharing knowledge of innovative programs among the states and provides technical assistance to Governors. The Center manages a variety of federal grants and foundation-funded activities and state demonstration programs in areas that include education, economic development, labor market and occupational analysis, socio-economic forecasting, health care financing alternatives, job training, and state human resource management systems.

INTRODUCTION

As the United States enters the last quarter of the decade, the issues of competitiveness, productivity, and economic adjustment have emerged as key themes for state and national policymakers. Much has been written about the changes taking place in the U.S. economy -- the shift from a manufacturing-based to a service-based economy, the continuing thrust of technological innovation, changing consumer preferences, and the internationalization of the American economy. While most change in this country has been synonomous with long-term improvement, the short-term consequences are often negative for the individuals, firms, and communities that must change.

States and local governments have been in the front lines of dealing with the adverse effects of recent economic change. In an attempt to facilitate the process of change, states have been able to experiment with a wide variety of programs that deal with economic adjustment. The states have embarked on a dual approach to deal with the problem. First, they have established programs that respond to economic change and cushion its deleterious effect on communities and individuals. Second, they have attempted to anticipate and prepare for the massive dislocations that are taking place in the economy. State training programs have been key elements of both strategies.

As in many other areas of domestic policymaking in the last decade, the states are developing innovative ideas for the design and implementation of job-specific training programs. Unlike federally supported job training programs, which are directed at assisting different target populations achieve greater access to jobs, the majority of the state-funded training programs being examined in this paper have the specific company as their main target. This is both in terms of the state's business expansion and attraction strategy and its business retention strategy.

Historically, state job-specific training programs have been heavily directed at influencing the locational decisions of firms. These customized training programs use states' public education institutions to provide training tailored to meet the immediate skill requirements of new companies coming into the state. Originated in 1957 in North Carolina, and often associated with the southern states earlier success in enticing many northern industries to move south, such programs now exist in most of the fifty states at some level of funding ranging between $45,000 and $12 million.

Largely as a circumstance of the changing demographics of the workforce and dramatically changing economic conditions, some states have also begun directing their state job training programs inward as a job retention strategy. The goal is to keep companies healthy by providing upgrade training for the existing workforce. Today, virtually all state-funded job-specific training programs have the flexibility to use training as a positive economic adjustment tool. They can assist companies and their workers adapt to rapidly changing workplace requirements.

David Stevens in *State Industry-Specific Training Programs*. 1986 reports that Alaska, Hawaii, New Hampshire, Rhode Island, South Dakota, and Wyoming have no such formal training programs.

This paper focuses on job-specific training programs initiated by seventeen states in the last several years. These programs are highlighted because they explore new ground in terms of:

- Targeting state resources to companies that are expanding, modernizing, introducing new technology, and/or making major capital investments;
- shifting emphasis from the use of training as a job attraction strategy to its use for job retention purposes;
- simplifying eligibility and program requirements to provide employers and workers greater freedom in designing services to meet their needs;
- strengthening the capacity of educational institutions and firms to meet the long-term training and retraining needs of workers; and
- developing alternative financing mechanisms and organizational arrangements for greater stability and legitimacy.

Much of the information in this paper draws upon a series of interviews with state officials conducted by NGA staff, a meeting sponsored by the National Governors' Association and the Bay State Skills Corporation entitled, "State Strategies for Training a Competitive Workforce" held in Boston, Massachusetts in October 1986, and information obtained by David Stevens from a fifty-state survey on State Industry-Specific Training Programs conducted in 1986 for the Urban Poverty Program of the Ford Foundation. Maria Heidkamp and Evelyn Ganzglass of the National Governors' Association and Kris Balderston, formerly of the NGA staff, contributed to this paper.

TRAINING FOR EXPANSION, MODERNIZATION, AND RETENTION

Most states view job-specific training programs as an integral part of their state economic development programs. It is, therefore, not coincidental that so many state retraining programs are located in economic development or related agencies. According to Stevens' analysis, twenty states have administrative responsibility for industry-specific training programs within state economic development agencies, as compared to fourteen states with programs under the control of vocational-technical education or post-secondary education agencies.

In many states there is a direct linkage between human and capital investments. Of the sixteen states examined in this paper, at least twelve have very extensive development programs that provide capital to for-profit firms. States development officials throughout the nation note that the human element is becoming more important in the development equation. Therefore, there are more cases of packaging training and development dollars together. In fact, the Michigan Training Fund, Indiana's Basic Industry Retraining Program (BIRT), and Missouri's Job Development Fund are among those programs that directly link job training to capital investment. They each require that the firms tie state training funds to capital investments.

Several company-specific job training programs have explicit job creation goals. For example, Iowa's New Jobs Industrial Training Program, Indiana's Training for Profit, Florida's Sunshine State Skills program, and the New and Expanding Industry Training component of Missouri's Job Development Fund are targeted at job creation in new and expanding industries. Other programs, such as the Michigan Job Opportunity Bank (MJOB) - Upgrade program, provide retraining assistance to companies that modernize through the introduction of new technology. In Michigan's case, new technology is defined to include not just equipment and software but also soft processes and such things as quality of work life programs. Still other programs, such as the Illinois Prairie State 2000 Employee Training Assistance Program (ETAP), provide opportunities for retraining, upgrade training and cross-training of the existing workforce to prevent dislocation.

Unlike federal dislocated worker programs, which are targeted at assisting those workers that have already received notice of lay-off or termination, state-funded programs can also assist firms and their workers well before a plant is in serious trouble or ready to close. The emphasis on expansion and prevention of job loss rather than reemployment has had an influence on the structure and design of programs in terms of assumptions about public and private responsibilities and institutional arrangements for delivering needed services.

With the move beyond states' traditional role of preparing individuals for the workforce to a greater emphasis on job expansion and retention, states are, in effect, offering to share some of the responsibility for worker training with firms as a way of promoting the public interest in increasing productivity and competitiveness, and preventing job loss.

This expanded state role has also shifted the focus from job preparation systems to the internal training systems of firms, which traditionally have been the sole responsibility of employers. The $210 billion annual private sector investment in formal and informal worker training overwhelms the size of state and federal investments in job training. As a result, in structuring their own programs, some states have explored ways in which limited state funds could leverage the expenditure of private sector dollars. Whether implicitly or explicitly, states see their investments in worker training as a way of demonstrating the value of human resource investments to the private sector.

State officials note that while most of their programs do not have specific targets in terms of size of eligible firms, they have often focused on the training needs of larger, more visible companies. Some states have, however, noted success in reaching small- and medium-sized businesses where the state training dollars can make a critical difference. Michigan MJOB - Upgrade is targeted to firms under 500 employees. About one-third of the funds for California's Employment Training Panel have been used to serve small businesses. State officials indicate that a small training grant can have a great impact, but it is hard to find smaller companies, assess their needs, and spend time with them. As a result, some states are also trying to find ways in which to pool the training needs of smaller firms. The skills corporations described later, for example, encourage educational institutions to work with groups of related industries and companies.

Flexibility for Firms and Individuals

Most of the company-specific programs stress that they offer enormous flexibility with very few strings. State officials believe that flexibility, as far as program services and eligibility are concerned, have contributed to the success of their programs. The company, or in some cases the individual worker, is assumed to be in the best position to guage their own needs. State funds flow through a variety of contractual arrangements. Some programs such as Ohio's Industrial Training, Indiana's BIRT, and Michigan's MJOB - Upgrade programs provide funds directly to the company, which in turn either contracts out for services or provides the training itself, often in-plant.

In other programs such as California's Employment Training Panel, the state can contract with either an employer or a school, provided that the school can demonstrate that it has reached agreement with specific employers regarding the training that will be provided.

Michigan's MJOB - Retrain program directs its resources through the individual enabling individual dislocated workers, potentially dislocated workers, and workers who are underemployed to enroll in training programs offered through the state's community college system. The state pays for services based on placements achieved by the community college.

Illinois' Prairie State 2000 Individual Training Assistance Program (ITAP) also directs its resources through the individual, but removes the institutional bias by allowing individuals to engage in approved training regardless of delivery system. ITAP training assistance grants, or vouchers can cover 50 percent of training costs up to $1,000 for employed workers and 100 percent of such costs up to $2,000 for unemployed workers.

Eligibility criteria are also broadly defined to accommodate a variety of needs. Eligibility for most of the state programs is non-income based permitting participation of dislocated workers, potentially dislocated workers, and members of the existing workforce. Some states have created mechanisms to explicitly mesh state and federal programs in complementary ways to assure that a wide array of workers can be served. For instance, the Kansas Department of Economic Development uses state funds to initiate contacts with new and expanding businesses and then uses federal vocational education and Job Training Partnership Act funds to support eligible activities.

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Other states have created set-asides with their state-funded programs for potentially dislocated workers, dislocated workers, and the economically disadvantaged to balance the emphasis on economic development with the more traditional supply-side emphasis on special populations inherent in federal programs.

A number of states explicitly target their programs to potentially dislocated workers so that services can be provided early to help upgrade the workers and possibly forestall a plant closure. The California Employment Training Panel, the Delaware Blue Collar Jobs Act, and the Michigan Retrain Program under MJOB were specifically set up to assist potentially dislocated workers. The New Jersey Jobs Training Program (NJJTP) and the Illinois Industrial Training Program also target resources to potentially dislocated workers, and the Indiana Basic Industry Retraining Program (BIRT) originally went so far as to target potentially dislocated workers in specific industries, namely transportation, steel, heavy machinery, and auto-related.

A number of states specifically target dislocated workers who have already lost their jobs. In 1986, Illinois created the Dislocated Farmer and Manufacturing Workers Program to assist dislocated workers by supplementing the regular federal Title III Progra... Massachusetts, as part of its Mature Industries Program, also set up the $3.2 million Reemployment Assistance Program to assist dislocated workers.

Finally, some states have specifically targeted some of their resources to the working poor or the economically disadvantaged. For example, New York targets 20 percent of their Employer Specific Skills Training Grant Program to dislocated workers and the economically disadvantaged. New Jersey has identified the working poor, the long-term unemployed, and welfare recipients as target groups under its NJJTP program. The Massachusetts Bay State Skills Corporation (BSSC) actively recruits dislocated workers, the economically disadvantaged, and recipients of public assistance for their program. BSSC has also received JTPA and state welfare funds to strengthen outreach to these groups. Finally, the Delaware program assists disadvantaged youth with a portion of its funds.

Concern for Accountability

Despite the state commitment to flexibility and responsiveness to the needs of employers, states are concerned about assuring an appropriate return on the investment of state resources. This concern is demonstrated in a number of ways. A number of states have put caps on the amount of state grants that could be awarded to specific firms or educational institutions, and have included matching requirements to avoid substitution of public resources for private.

Both in-kind and cash match requirements are imposed as a demonstration of the firms' commitment to the program. Sometimes the match is contingent upon other factors. In Pennsylvania's Customized Job Training program, the program will cover up to 70 percent of training costs in the case of upgrade, 80 percent for new jobs, and 100 percent if the company will target 20 percent of the jobs to dislocated or economically disadvantaged workers. In addition, a company can receive extra support if they are located in an economically distressed area. Under the New Jersey Jobs Training Program, there is no match for classroom training but a 25 percent match for employers using OJT.

States have imposed other requirements to assure that state resources are being devoted to furthering the public interest. Michigan, for instance, requires that the firm provide retraining for demand occupations and is considering a requirement that each worker be trained for at least two jobs to diversify his/her background. A few states have maintained maximum flexibility in terms of program design, but have developed tight accountability criteria as far as outcomes are concerned. For instance, under some of the programs, employers are not reimbursed until the person is actually hired. California has a requirement that the employee must be working for at least 90 days before payment. Under Illinois' ETAP, 50 percent of the funds are made available up-front at the start of training; the other 50 percent is not paid until ninety days after the training is completed to ensure that the number of people who were trained are still there. Delaware's Blue Collar Jobs program also uses performance-based contracts.

Public/Private Partnerships

A number of states have created quasi-public or independent organizations to administer their job-specific training programs, placing program control outside of traditional executive branch agencies. These organizations usually have representatives of business, labor, education, and other executive branch agencies on the board. The first of these quasi-governmental training organizations was the Bay State Skills Corporation created by the Commonwealth of Massachusetts in 1981. Massachusetts was the first state in the nation to create a state-funded program that required direct business participation in increasing the supply of skilled workers in the state. BSSC was established to be a catalyst which would bring business and industry together with educational institutions and fund those educational institutions to train people for new and changing jobs. BSSC was designed to fill job shortages or prevent them with direct industry participation.

This program serves as a model for skills corporations in Kentucky, Minnesota, Washington, and Florida. BSSC and the other skills corporations attempt to build education and business partnerships that will outlast any one particular program. One of the major goals of skills corporations is capacity building of public educational facilities to increase their relevance and responsiveness. This sometimes involves such things as providing seed money for a vocational school to work with a company in setting up a faculty development program.

Skills corporations may also provide funding to enhance a school's curricula and enable the school to assist related area industries. Kentucky's Bluegrass State Skill Corporation, for example, provided assistance to the industrial technology departments of two universities to improve their curricula and to help area industries with such things as robotics, CAD/CAM, and flexible manufacturing. This helps the institutions to stay on the cutting edge and to prepare students for technological jobs, as well as helping industry with technological skills. Representatives from each of the skills corporations indicated that a small amount of money can go a very long way, in part by investing in "capacity." Once such projects have begun, the ongoing needs of the company can be met through continued cooperation with the school. Educational institutions are often encouraged to establish ties with a consortium of employers who have common skill-training requirements.

Today's skills corporations are operated through a variety of institutional arrangements. Both Kentucky's Bluegrass State Skills Corporation and the Minnesota Job Skills Partnership are operated by independent public boards. Florida's Sunshine State Skills program is operated by the State Board of Community Colleges, with advice from an Economic Development Advisory Committee. Washington's Job Skills Program is run by the State Commission for Vocational Education. California's Employment and Training Panel, Illinois' Prairie State 2000 Authority, and the Massachusetts Industrial Service Program are also administered by independent organizations. Both the California and Illinois programs were initiated by the state legislature and have state legislative representation on their boards.

In many ways, these new organizational entities that exist outside the sphere of traditional state agency structure are forging new ground in the way states conduct their employment and training business. In part, they are doing this because of the broad charter given them, and in part because of the greater room for flexibility possible outside the traditional state executive branch bureaucracies. As a result, these programs have been able to:

- Draw upon professional expertise in management, banking, and other field often not available within traditional state agencies;

- Experiment with different financial arrangements (including requirements for matching funds) with individual firms, workers, and educational institutions delivering services; and

- Forge collaborative relationships between state education and training activities, the private sector, and state economic development initiatives.

State Experiments with New Ways of Financing Worker Training Services

The recent infusion of state dollars for job-specific training and the attempts to create more stable funding sources for such programs are driven by economics. Based on the premise that job training will reduce future state unemployment insurance costs, California and Delaware have established training programs in which the state's unemployment insurance system is used as the collection mechanism for sustained financial support. Because federal law does not allow unemployment insurance funds to be used for training, California's legislature reduced the tax paid by employers, and then imposed a new state Employment Training Tax of exactly the same amount on exactly the same employers. California uses one-tenth of 1 percent of the state's unemployment insurance funds, which raises about $55 million per year. Delaware employers had been subjected to a .6 percent federal penalty due to the state's debt to the Federal Unemployment Insurance Trust Fund. When the state's fiscal condition improved allowing early repayment of the state's debt, Delaware reduced this .6 percent tax and instituted a .1 percent state assessment for job training programs. This provides at least $1.6 million per year to fund new job training activities in the state under the Blue-Collar Jobs Act.

Similarly, Arizona is experimenting with a revolving fund as a way to prevent a rise in the UI tax rate. In 1986 Arizona passed new legislation which allows the state to charge user fees to employers that voluntarily request assistance under the state's Pre-Layoff Assistance Coordination Team (PACT) program for employees facing a layoff or plant closing. The money becomes part of a revolving fund which has been established to help offset the cost of providing job training and employment-related services. The creation of this revolving fund will permit state officials to finance services over a multi-year period. The Department of Economic Security will be administering this fee-for-service mechanism. They are working on bundling services so that an employer may buy a job search workshop for one price; a job search workshop plus a job finder's club for another; those two plus training and ongoing case management for a third price, and so on. State officials note that the program is intended to prevent depletion of the unemployment insurance trust fund, prevent increases in the UI tax rate, maintain productivity of workers and assist them in securing employment more efficiently. Based on discussions with the business community held during the planning stages of the program, employers seem receptive to the idea of sharing costs for these service with the public sector. The department is now preparing for its implementation.

Iowa's Industrial New Jobs Training Program also provides a creative financing mechanism for new and expanding businesses in the state. It is tax-increment financed and paid for by revenues generated by the company's investment in Iowa. In other words, property taxes on new machinery, added building value, and equipment plus a portion of the employees' state withholding taxes are diverted to pay for the training. These are normally paid over a ten-year period. Tax-exempt training certificates are sold to pay for the up-front cost of training.

Area community colleges administer the program. The Iowa Department of Economic Development provides technical assistance and oversight to these schools. Training packages are tailored to each company's needs and can include such things as on-the-job training of workers in the new jobs, skills assessment and testing, and in-plant instruction by company instructors. In addition to providing training reimbursements to the company, the training program entitles the company to a new jobs tax credit for each new job.

Conclusion

The goals of the state programs discussed in this paper have evolved from simply being tools for attracting out-of-state firms to becoming key ingredients in state job retention and competitiveness strategies. While this broadened mission has clearly stimulated creativity in the way programs are designed, financed, and marketed to the private sector, it has also raised a number of questions which will deserve attention as programs develop further.

First, as states proceed in refining the use of state powers and resources to improve the adaptability and productivity of the nation's workforce, they will hopefully identify the degree to which a training gap actually exists. Our growing understanding of the worker retraining issue suggests that there is an integral relationship between the basic skill achievement of an individual and his or her ability to be a productive worker and adapt to the changing skill requirements of the job. Learned basic skills provide the foundation for subsequent learning whether it is on the job or in other avenues of adult life. There is evidence that our failure to provide many individuals in the current adult workforce with adequate basic skills has shifted some of the burden of financing the educational development of individuals to the private sector. Quite plainly, it is more difficult and more costly to provide specific job-related training to workers who lack the basics. From the state perspective, the worker training issue, therefore, cannot be separated from the broader issues of adult literacy and educational reform. Yet, we have only begun to focus on the multiple financial and specific workplace literacy training concerns.

These worker training programs are relatively small scale. Some were slow to get off the ground in part because of initial worker resistance to participation in any formal retraining programs, and in part because of employer distrust of government programs. As more employers and workers have positive experiences with retraining under the JTPA Dislocated Worker program and state programs such as the ones described here, resistance among others seems to break down. Much of the states' creativity has had to be devoted to packaging and marketing the programs to attract employers, and where targeted to individuals, to encourage worker participation. One of the continuing challenges to governors will be to provide leadership in promoting positive attitudes on the part of adult blue collar workers to participate in adult education and training initiatives as a means of preventing unemployment and facilitating reemployment.

Despite extensive professional literature about America's under-investment in the skill development of the adult workforce, there is no clear understanding of what the long-term role of the states in worker training can and should be beyond their traditional role of supporting the basic infrastructure of education. The private sector already spends more than $200 billion annually on worker training, presumably in areas in which they think they are likely to get the highest return on their investment in terms of productivity increases and other benefits to the business. The states alone spend another $11.6 billion on institutional support for community colleges and millions more on other forms of adult education and worker preparation. Through various means, states' resources have supported both on-the-job and classroom worker retraining activities. The relative merits of these two approaches in terms of long- and short-term benefits to the worker and the states' economic viability remain an unresolved issue.

The state initiatives described in this paper have gone beyond the infusion of new money. They have been created based on the assumption that workers potentially or actually threatened by unemployment because of skill deficits had training needs that could not be met through existing programs. The funding strategies developed by states have, therefore, gone outside the traditional financing channels to leverage change within the states' education and training institutions to make their offerings and the way they do business more relevant to the requirements of adult workers and their employers. In a way, this strategy is similar to states' support of advanced technology centers or centers of excellence. The state acts as a catalyst to bring the resources of universities together with the private sector to focus on identified research needs.

Said another way, states have introduced market forces into the publicly supported training enterprise. What changes will occur in the way public institutions do business and in the outcomes of programs are yet unanswered. What standards of competence will employers demand and will the states' training institutions be able to deliver? What can we learn about how state financing strategies can promote greater competition among training and education institutions and greater accountability for meeting employer expectations?

Through some of these programs, states are also exploring a new dimension of public-private partnership for assuring that American workers have the requisite skills to be competitive within a rapidly changing international marketplace. The state experience to date suggests that states are still struggling with trying to define an appropriate public sector role and structuring programs to avoid substitution of public dollars for private. As a larger market for worker retraining develops within the private sector, states are likely to be faced with the problem of demand outstripping available state resources for support of such efforts. States may have to attach more "strings" and tighter eligibility criteria to their programs or raise the level of state investment in such programs.

States will also have to consider how broader state worker adjustment programs, including the unemployment insurance program, can be adapted to support worker retraining activities. Several states have already begun using the unemployment insurance tax collection mechanism to finance state training efforts. Additional innovations in linking unemployment insurance and state retraining initiatives might be explored as alternative financing approaches are considered for the unemployment insurance system.

This paper raises as many questions as it answers. The diversity of these state job-specific training programs provides evidence of the recent innovation and experimentation that has been taking place within states.

A BRIEF DESCRIPTION OF STATE-FUNDED JOB TRAINING PROGRAMS INITIATED SINCE 1981

California. Established in 1983, the California Employment Training Panel provides approximately $55 million per year to train and retrain dislocated and potentially dislocated workers. The program, the nation's largest, is innovative because it is funded by one-tenth of 1 percent of the state's unemployment insurance funds. The California program is flexible, anticipatory, efficient, and job specific. The reason for setting up the program was two-fold: first, to reduce long-term unemployment insurance costs by preparing the workforce for the structural changes that are taking place in the economy, and second, to encourage economic development. It was originally thought that the ETP would be a quick-start training program for companies moving into the state. As it turned out, there was little demand for this type of program. The economic development aspect of the ETP comes mainly from helping existing businesses to retool, to change their ways of doing things to increase productivity, and in essence, to keep them from becoming plant closings. Prevention and increasing productivity are key goals.

Administrative services are provided through the California Employment Development Department. Seven members serve on the panel: four are appointed by the legislature and three by the Governor. It presently consists of representatives of labor, business, and government. The panel evaluates and makes decisions on all applications.

The panel can contract with employers or schools to set up training programs. Individuals eligible for training include those who are currently receiving UI, who have exhausted their UI benefits within the prior year, or who are likely to be unemployed without retraining. The ETP can cover all costs for administration, training, and materials but does not subsidize trainees' wages. The company is not required to provide a match. The ETP demands results and lets business and labor be responsible for the outcome without anticipating their needs. All funds are tied to the trainees remaining in training-related jobs for 90 days. Further, the panel attempts to ensure decent jobs for trainees, with a minimum of $5 an hour floor. It is essentially a performance contract.

Another goal of the ETP has been to increase business and labor interest in training. It does this by demonstrating that training contributes to productivity and adaptability through direct grants to firms for developing models for in-company training.

The first long-term follow-up study of the panel was completed in November 1986. It found that trainees' wages increased 55 percent after training and that unemployment decreased 63 percent over the period beginning one year prior to training and ending one year after completion.

Delaware. When the state of Delaware had the opportunity to repay the state's debt to the UI fund, they set up a program that is similar to the California program in terms of funding. Under the Blue ollar Jobs Act that was passed in 1984, Delaware imposed a .1 percent UI tax on employers to raise money for the state's job training activities. This generates about $1.6 million annually. One-quarter of the money goes to the state's development office for economic development activities, mainly supporting industrial training for new and expanding companies. The remainder goes to the Department of Labor, to be co-administered by the Division of Employment and Training and the state's Private Industry Council (PIC), to help retain and expand manufacturing jobs in the state. The program is directly targeted to dislocated workers and to youth through school-to-work transition programs. Money also exists to fund exemplary training programs and training programs for state employees. There is no match requirement. The program stresses outcomes, and all contracting is performance-based.

Florida. In 1985, Florida established the Sunshine State Skills Program at $700,000 to bring community colleges together with employers in new, diversifying, or expanding businesses. Modeled after the Massachusetts Bay State Skills Program, the Florida program was set up to help diversify the Florida economy. The goal is to encourage the creation of jobs for Florida's rapidly expanding population. An advisory committee of state, local, and private sector officials reviews the applications and makes recommendations on funding. All programs must be done through the state's community colleges, either on-campus or on-site. Companies must form partnerships with the community colleges and are required to provide an in-kind or cash match. The purchase of equipment is not permitted under the Act. The program is flexible, designed to meet the specific needs of employers through the partnership between the community college and business. The state legislature recently approved an increase in the funding level for the Sunshine States Skill Program to $3 million for the upcoming fiscal year.

Illinois. In the past four years Illinois has established a wide array of state programs to provide training to the existing workforce. This has been concurrent with a tough economic situation in Illinois, where approximately 100,000 workers are dislocated every year. Hit with heavy dislocations in farming, steel, auto, mining, and farm machinery, the state established four programs. The first was the Illinois Industrial Training Program, which is funded at $4 million per year to provide OJTs to businesses expanding or locating in the state. In many ways the program is comparable to the industrial/customized training programs of most of the other states. Last year, the legislature appropriated $35 million to the program to pay for specific incentives offered to Caterpillar, Chrysler, and Diamond Star Motor Corporation.

While the Industrial Training Program has historically been for new and expanding companies, there is now also a mature industries component, likewise funded at $4 million, under which current workers get retrained on new equipment. In other words, this mature industries program links training to capital investment. Both of these programs are used as parts of overall economic development packages. They are flexible not only in terms of whom they can serve but also in terms of what constitutes training-related expenses. The state's share of direct costs cannot exceed two-thirds, unless the trainee is unemployed, receiving welfare, or enrolled in a training program for the handicapped. The program, which is administered by the Department of Commerce and Community Affairs, encourages coordination with federally funded training programs.

The second program established by the state is the High Impact Training Services (HITS) program, administered by the State Board of Education. The HITS program provides employer-specific training to industries expanding or locating in the state. HITS requires that an application be submitted to the State Board by a community college, a vocational school, or a comprehensive high school in collaboration with an employer. The program does not pay for OJT. HITS is intended to bridge the gap between long-term, in-school vocational training programs and the immediate short-term job training needs of business and industry. State officials note that both HITS and the Industrial Training Program have acted as a "hook" to get employers to participate in the JTPA program.

The third program, initiated by the state legislature, is called the Prairie State 2000 Authority. The authority is funded at $3 million per year and has two parts. The first portion, Individual

Training Assistance Program (ITAP), is targeted to individuals. ITAP allows experienced Illinois workers to apply for training assistance grants or vouchers, which can be used at both public and private training institutions. Eligible expenses can include tuition, fees, supplies, and administrative costs. Currently employed workers seeking to upgrade their skills are eligible for up to $1,000 or 50 percent of training costs. Those individuals who are currently unemployed may receive up to $2,000 or 100 percent of training costs. About 75 percent of the workers who have received ITAP grants have been unemployed.

The second portion, Employer Training Assistance Program (ETAP), is targeted to employers to upgrade the skills of workers already on board. The goal is job retention, and the program aims to keep workers highly productive by upgrading their skills and allowing them to adapt to advances in technology and other workplace changes. ETAP, therefore, supports upgrade training, retraining, and cross-training, in which employees are trained to handle different tasks that already exist at their place of work. ETAP is primarily used by companies that wish to implement new technology or to expand to cover new product lines. To participate in ETAP, a company must demonstrate financial need, such as a lack of profits or an indication that they have reinvested existing profits into the company. The company must also be a participant in the state UI system. ETAP can cover up to 50 percent of training costs or make loans for up to 100 percent with five years to pay back the cost. Fifty percent of the funds are made available up-front at the start of training; the other 50 percent is not paid until ninety days after the training is completed to ensure that the number of people who were trained are still there. ETAP has made sixty-three grants and loans and served over 11,000 workers. Of the sixty-three companies, eleven were service sector firms and the rest manufacturing. The grants have ranged in size from $900 to $55,000.

The Prairie State 2000 Authority has been working with the statewide AFL-CIO, which has been helping to identify workers and companies with training needs. Also, through a referral service called Operation Able, support has been provided for retraining of older workers.

The fourth and most recent program established in Illinois is the $2 million Dislocated Farmer and Manufacturing Workers Program to assist farmers and dislocated workers and to supplement the federal JTPA Title III program.

This wide array of programs has provided Illinois with great flexibility to serve all of the various needs of a particular company. For example, if the company is expanding, the state can help support classroom training for new jobs under HITS, retraining of the existing workforce under Prairie State 2000 ETAP, and some on-the-job training of workers under the Industrial Training Program. In addition, the state can combine the resources of the federal JTPA program.

Indiana. To deal with an economy in transition, the Indiana Department of Commerce set up two major programs. The first was the Training for Profit (TFP) program. TFP is geared toward new industries expanding or moving into the state or existing industries that are creating new jobs that can be filled by Indiana residents. The goal of the program is to assist businesses by relieving them of some of the short-term, up-front costs of training. The program is funded at $10 million for the biennium and is often packaged together with JTPA funds to support specific projects. TFP has been involved in some joint ventures with Japanese companies.

The second program is the Basic Industry Retraining Program (BIRT), funded at $8.5 million for the biennium. BIRT was established in 1983 to assist existing mature industries in the state such as transportation, heavy machinery, steel, and auto, that are expanding, modernizing, or developing new technology. BIRT places an emphasis on retaining jobs or limiting layoffs. Firms are required to make investments in capital equipment to help them modernize in order to participate in BIRT. BIRT provides retraining assistance when the need for retraining is directly related to investments in new equipment or technologies. The company determines what kind of training is appropriate. This can range from on-line training in the operation of new equipment to classroom training at vocational or technical schools. Between 10 percent and 50 percent of training costs can be covered, depending on the amount of the company's new capital investment. Wages during training are not eligible for reimbursement. Grants are based on the number of people retained, the cost to the company, and the amount of capital investment the company is making in new equipment.

One of the goals of BIRT is to keep the state's labor force up-to-date with new technology. BIRT's definition of dislocated workers includes people whose jobs are likely to change significantly and will be lost without retraining. BIRT has been an investment program in human resource development and an incentive for companies to modernize.

Iowa. Iowa's Industrial New Jobs Training Program provides a creative financing mechanism for new and expanding businesses in the state. It is tax-increment financed and paid for by revenues generated by the company's investment in Iowa. In other words, property taxes on new machinery, added building value, and equipment, plus a portion of the employees' state withholding taxes are diverted to pay for the training. These are normally paid over a ten-year period. Tax-exempt training certificates are sold to pay for the up-front cost of training.

Area community colleges administer the program. The Iowa Department of Economic Development provides technical assistance and oversight to these schools. Training packages are tailored to each company's needs and can include such things as on-the-job training of workers in the new jobs, skills assessment and testing, and in-plant instruction by company instructors. In addition to providing training reimbursements to the company, the training program entitles the company to a new jobs tax credit for each new job.

The program has proven to be flexible, with the packages customized for each employer, and no eligibility criteria for employees, and an incentive for bringing new jobs into the state. Its focus is new jobs, which do not include replacement jobs or jobs of recalled workers. It is not an upgrade or retraining program. There is also a Small Business Program under Iowa Industrial New Jobs, which consists of direct loans to small businesses through the community colleges.

Kentucky. Modeled after the Massachusetts Skills Corporation, the Kentucky General Assembly established the Bluegrass State Skills Corporation in 1984 to "stimulate economic development through programs of skills training to meet the needs of business and industry." BSSC, an independent public corporation attached to the state Department of Education for administrative purposes, believes that human capital investment is a crucial aspect of overall economic development. Grants are awarded to educational institutions to create and expand programs of skills training for new and existing business and industry. BSSC's job is to serve as a broker, coordinating the resources of the Employment Service, JTPA SDAs and PICs, and educational institutions. It also serves as a partner, providing support for specific training programs. Their support allows the gaps to be filled through putting together comprehensive packages of employment and training services. This also helps to avoid duplication of efforts. Grants of up to $200,000 may be awarded to educational institutions for training programs. Applicants must demonstrate that the grant is essential and that all other available resources have been drawn upon. Companies are required to provide an in-kind or financial match at least the size of the state grant.

BSSC helps to create partnerships and to provide seed money to get programs off the ground. They have shown that a small amount of money can go a long way to leverage other resources. They have been involved in faculty development programs and in improving the curricula at various universities so that they may in turn help area industries. The BSSC also encourages programs in which a group of companies is involved. The BSSC is flexible and simple, and training can range from pre-employment skills, entry-level training, skills or occupational upgrading, advanced skills training, or capacity building for educational institutions. The program is currently funded about $700,000. Training is provided through a network of fourteen state vocational-technical regions and seventy vocational schools within the state.

Massachusetts Bay State Skills Corporation. The Commonwealth set up the first skills corporation in the nation in 1981. Bay State Skills Corporation (BSSC) is a quasi-public, state-funded organization which was created to increase the supply of skilled workers in the state. BSSC serves as a catalyst to bring business and industry together with educational institutions and to fund those educational institutions to train people for new and changing jobs. Matching grants are required from the participating companies. The Bay State Skills Program has enjoyed a remarkable record of placing workers in high-quality jobs and building public/private partnerships, combining its limited state resources with other federal, state, local, and private funds. The $1.8 million program has been emulated in four other states in the last five years. The corporation actively recruits dislocated workers, the economically disadvantaged, and recipients of public assistance for training. BSSC has received JTPA and state welfare funds to strengthen outreach to these groups. BSSC has also worked with the state's Displaced Homemakers program.

One of the goals of BSSC is to increase the relevance and responsiveness of the state's educational institutions. As David Stevens points out, this is reflected in the legislation authorizing BSSC:

> "to encourage and facilitate the formation of comprehensive cooperative relationships between business and industry and educational institutions which provide for the development and significant expansion of programs of skills training and education consistent with employment needs, and to make interested individuals aware of the employment opportunities presented thereby."

The legislation explains that the "critical shortage of training and educational programs necessary to meet the growing needs of business and industry for skilled employees" is due in part to the inability of the educational institutions to secure necessary resources. Consequently, it says, the citizens of Massachusetts, primarily "those who are victims of economic dislocation, and those of minority and economically disadvantaged groups, are denied many significant and substantial employment opportunities." Capacity building of public education institutions and reaching target populations are two of BSSC's aims.

Another feature of BSSC is that schools are encouraged to work with a consortium of employers who have common skill needs rather than with a single firm. As Stevens notes, this helps to protect the training program from being vulnerable to the fortunes of one business.

Industrial Services Program (ISP). The Industrial Services Program (ISP), like BSSC, is run by a quasi-public state agency. It seeks to combine positive and negative adjustment efforts under the same roof. One of its programs is the Reemployment Assistance Program. Set up in 1984 as part of the Industrial Services Program, the $3.2 million program provides training and assistance to dislocated workers in mature industries. The Reemployment Assistance Program sets up Worker Assistance Centers for workers facing plant closings or layoffs. These centers strive to have at least a 75 percent placement rate and to help workers find jobs which pay at least 85 percent of their former wages. They are run on a day-to-day basis by the local SDAs or Employment Service, and at least 50 percent of the staff comes from the workforce being assisted. These laid-off workers generally serve as outreach specialists or counselors. The centers can be set up as single-plant or multi-plant programs.

In addition to the Worker Assistance Centers, ISP offers support to companies through two other programs: Business and Financial Services and the Economic Stabilization Trust. Business and Financial Services provides consulting services to companies to help them avoid closures or layoffs. They service a wide range of companies, most of which are in serious financial condition due to either poor management or increased competition. The consulting staff is made up of private sector managers, who try to help the company solve long-term problems, find new investors, and extend their lines of credit while improvements are being made. The Economic Stabilization Trust is a high-risk loan fund, a lender of last resort, for companies in deepest trouble. The company must agree to strict conditions to receive assistance. Once a loan has been made, staff continues to work closely with the company.

Michigan. In the late seventies, Michigan had more unemployed citizens than the entire population of the state of Nevada, over 700,000 people. Given the options to "get poor, get out, or get smart," the state opted to "get smart" with a strategy to coordinate all of their training programs. Central to the strategy was the establishment of the Michigan Job Opportunity Bank (M-JOB). The program is one of the most targeted of any of the state-funded programs.

The MJOB program is divided into two areas - Upgrade and Retrain. Upgrade is a $2 million program to retrain the existing workforce in firms of 500 workers or less undergoing technological change or making massive investments in capital equipment. It was created in response to the need to provide training for at-risk or potentially dislocated workers. Training services can be provided by public or private vendors as determined by the employers. There is a match for employers when training is not tied to new capital investments. Unlike most of the state job training programs, the Michigan program has been very successful in helping smaller businesses. Most of the state's assistance is to firms between 50 and 100 people. The demand for this program is increasing at a very quick pace.

The Retrain program is targeted to existing and threatened dislocated workers or workers who are under-employed. The $2 million program is delivered solely through the community college system. The community colleges are required to provide three components: (1) they must assess the skills levels and training needs of all participants, (2) they must provide training for demand occupations, and (3) they must place an individual in a job in order to receive full payment. Payment is based 20 percent per participant for enrollment, 50 percent per participant for completion of training, and 30 percent per participant for placement, within 30 days of completion of training, into a training-related job for the duration of at least thirty days.

In addition to MJOB, Michigan has two other state-funded programs: the Michigan Training Fund (MTF) and Michigan Business and Industrial Training (MBIT). MTF is for private-sector, for-profit firms with 500 or more employees that are locating or expanding in Michigan and making substantial capital investments. Priority is given to target industries. MTF provides job training incentives and assistance for current, potential, and new employees. MBIT provides job training, retraining, and upgrade training for firms that are new or expanding in the state or need retrain or upgrade assistance.

Minnesota. The Minnesota Job Skills Partnership Board was established in 1983 to help the state deal with a rapidly changing economy by providing training resources to growing firms. The goals of the program are to promote economic development through closer cooperation between industry and education, to enhance education's capacity to respond to business's changing needs, and to provide displaced workers with access to training which leads to new jobs. Under the $2 million program, employers are encouraged to work closely with educational institutions to recruit and select trainees and design quality programs. There are no specific targets in terms of size or type of industry but increased attention is now being paid to industry in rural Minnesota. Roughly 75 percent of the projects funded so far have been outside of metropolitan areas.

The Minnesota Job Skills Partnership tries to bridge the distance between education and industry in a mutually beneficial way, resulting in increased respect between them and increased desire to work together in the future. They function as a catalyst to encourage working relationships which will outlast any one single program. Another goal is to get local actors to work together, and as part of the program design, companies must show how they will work with unions and various social service and community agencies to reach dislocated and potentially dislocated workers. The Minnesota program has also on occasion coordinated resources with the Minnesota Emergency Employment Development Act (MEED), a wage subsidy program.

Missouri. In response to the need to fill the gaps left by other federal and state training programs, Missouri set up the Job Development Fund in 1986. The state felt that the JTPA program was not flexible enough to use as an economic development tool, so the governor proposed the creation of this new state-funded program. The fund's goal is to set up a flexible employer-specific training program as part of the state's economic diversification plan. Originally established as a tool for attraction, the program has become one to assist Missouri's existing businesses.

The fund is divided into two parts, both of which require a company to make a "substantial" capital investment. This is defined as either a minimum of $1 million or a minimum of five times greater than the amount of the requested training project's costs. One part, the Basic Industry Retraining Program, provides assistance for the retraining or upgrading of current employees' skills which are required to support a new capital investment. The goal is job retention and improved productivity. The New and Expanding Industrial Training Program, provides assistance for training, retraining, or upgrading of the skills of potential employees. This help is available only for industries whose investments related directly to a projected increase in employment.

The $6 million fund has been notably successful in meshing its resources with those of JTPA, vocational education, and Trade Adjustment Assistance, and in coordinating its work with those of local operators. Like Illinois, Indiana, and Michigan, the impetus behind the state appropriated funds was to help the auto industry with their training needs. Nearly one-half of all state funds have been distributed to Ford and Chrysler plants in Missouri.

New Jersey. In 1985, New Jersey established the $4 million New Jersey Jobs Training Program (NJJTP) to help those New Jersey residents that were falling through the cracks or were under-employed and to serve as a match for the JTPA Title III program. As the economy in the state improved, these funds became a key element in the state's effort to deal with a changing state economy. One-quarter of the funds go to the Department of Labor for customized training and three-quarters go directly to the SDAs. There is a 25 percent match requirement for on-the-job training programs but, with the 1987 amendments, a match is no longer required for classroom training.

Because the NJJTP can be used as match for Title III, many of those served have been dislocated workers. Other target groups include the economically disadvantaged: welfare recipients, the working poor, and the under-employed. NJJTP funds have also been used to provide support services for welfare recipients, including transportation to training and child care. So far, the funds have been split evenly between assisting companies to remain competitive, relocating businesses within the state, and helping existing businesses to expand.

The program has been used primarily for helping the New Jersey companies that are "on the ropes" like glass manufacturing, tool and die, heavy machinery, and hazardous waste. State officials note that the beauty of the program has been its flexibility and its ability to build credibility with the private sector. It has also served as a good companion to JTPA.

New York Employer Specific Skills Training Grant Program. In the past six years, the state has established three programs to train its workforce. The largest program is the Department of Education's $4.2 million Employer Specific Skills Training Grant Program. Grants are provided to educational institutions through a network of ten regional economic development centers throughout the state to do firm specific training. An in-kind or cash match is required. The training is totally in the classroom but can be done in-plant. The program is very flexible with very few eligibility requirements. However, the program calls for 20 percent of the slots to go to dislocated workers and the economically disadvantaged. Funds can be used for new hires, expansions, and firms that are facing major changes in technology. The majority of training has been for retention of existing jobs. New York cites upgraded capability of schools as one result of the program.

Community College Contract Course Fund. The second program is the Community College Contract Course Fund, which was established in 1980 at $2.4 million per year to provide firm-specific training through the community college system. The community college and a firm may meet to design a classroom or on-site training program and then submit a simple two page application to the state university system which then reimburses the community college approximately $1350 per student in the form of additional state aid. The goals of this program are both to assist in the expansion or retention of jobs, and to improve the quality of community college instruction. In 1985, 54,000 people completed such a training course through one of the state's thirty community colleges.

Finally the state has a small $1 million program that provides funds to local chambers of commerce to provide training.

Ohio. In 1982, Ohio established the Industrial Training Program which receives $22 million biannually. State officials admit that while the program was initiated as an attraction tool "to make the state more competitive in the U.S. market," the program has in fact turned into an existing industries program. The program is largely operated through a local consortia of vocational and technical schools. It is locally driven and based very strongly on the needs of the companies. The Industrial Training Program will pay for up to 50 percent of training costs, not including wages. Approximately 80 percent of their funds go to existing firms of all sizes (expansions, upgrades, and new products). They also do direct training of instructors. Unlike many other states, Ohio has had considerable success in helping small firms under 250 workers. They note the importance of a small $5,000 grant to a small company of less than 100 employees.

Pennsylvania. Administered by the Department of Education, the Commonwealth set up a $13.5 million Customized Job Training Program in 1982. The program is administered through the local public and private educational institutions and is primarily used for upgrading in existing firms. Companies receiving assistance for upgrade training must show capital investment that is at least equal to the dollar amount of the grant and there must be no fewer people working. Companies receive funding up to 70 percent for upgrade training, and 80 percent for new jobs training. Additional support is provided if the company is located in an economically disadvantaged area. In order to get 100 percent funding under the program, employers must agree to meet a 20 percent threshold of training the economically disadvantaged, recipients of public assistance, and dislocated workers.

Washington. The Washington Job Skills Program (JSP) was initiated in 1983 at an annual funding level of $1.5 million. Funds are available as an economic development incentive to provide customized, quick start training of new and existing firms in the state. All funds go through public and private educational institutions and require matching funds from employers. JSP funds may be used to train individuals for new jobs, to help them avoid dislocation, and to prepare employees for upgrade if the promotions result in vacancies or back-filling of existing positions.

The JSP works to foster inter-agency coordination and to avoid duplication of efforts among the state's various economic development agencies. Another outgrowth of the program has been the forging of new business/industry and education partnerships.

State Funded Job Training Programs

State	Program	Year	Agency	Funding	Program Recipients	Delivery	Program Points
AZ	Pre-Layoff Assistance Program Revolving Fund	1986	Dept. of Economic Security	–	Dislocated Workers	Directly with business	Allows the state to establish a revolving loan fund for pre-layoff assistance by charging a fee for services rendered
CA	Employment Training Panel	1983	Employment Training Panel	$55 million per year (approx.)	UI claimants & exhaustees, potential dislocated workers	Directly with business, unions or schools	Grants approved by a panel of representatives from labor, business, and government Program funded by .1% UI tax Trainee must be on the job 90 days for reimbursements to be made
DE	Blue Collar Jobs Act	1984	Dept. of Development	$1.6 million annually (approx.)	Dislocated workers, youth, state employees & industrial skills training	State Development Office (25%); PIC (75%)	Funds based on .1% UI tax All contracting is performance-based
FL	Sunshine State Skills Act	1985	State Board of Community Colleges	$700,000 per year	No eligibility requirements	Community Colleges	Economic Development Advisory committee reviews applications
IL	Industrial Training Program	1979	Dept. of Commerce and Community Affairs (DCCA)	$8 million per year			One time appropriation of $35 million for large firms locating in the state
	• Basic Program			($4 million)	OJT for new & expanding businesses	Directly with business	
	• Mature Industries Program			($4 million)	Potential dislocated workers	Directly with business	Training linked to capital investment
	High Impact Training Services	1978	DCCA and State	$2 million	New or expanding businesses	Local Education agencies & businesses	Uses state and federal vocational dollars. Training only for the new jobs
	Dislocated Farmer and Manufacturing Workers	1986	DCCA	$2 million per year	Dislocated farmers and workers	Through dislocated worker centers	Used to supplement Title III
	Prairie State 2000 Authority	1983	Prairie State 2000 Authority	$3 million per year	Upgrade businesses or individuals	Community colleges or SDAs	Individual Training Assistance Program Employer Training Assistance Program

State	Program	Year	Agency	Funding	Program Recipients	Delivery	Program Points
IN	Basic Industry Retraining Program	1982	Dept. of Commerce	$8.5 million biennial	Existing basic industries	Directly with industry	Originally targeted to steel auto-related, heavy machinery, steel and transportation Tied to capital investments
	Training for Profit Program	1981	Dept. of Commerce	$10 million biennial	No eligibility requirements	PICs, business, or union	Used in some joint venture projects with the Japanese
IA	Industrial New Jobs Training Program	1983	Dept. of Economic Development	--	No eligibility requirements	Community Colleges and businesses	Tax exempt training certificates sold to pay up-front cost of training Property and employees withholding taxes diverted to repay Training must be for new jobs
KY	Bluegrass State Skills Corporation	1984	Bluegrass State Skills Corporation	$1.4 million biennial	No eligibility requirements	Direct with business	Focus on business/education partnerships and on capacity-building of educational institutions Match is required from companies
MA	Bay State Skills Corp.	1981	Bay State Skills Corp.	$1.8 million	Actively re-dislocated workers, economically disadvantaged and recipients of public assistance	Business/education partnership	Encourages business & education to work with each other 87% of all grads find full-time employment
	Re-employment Assistance Program	1984	Industrial Services Program	$3.2 million	Dislocated workers	Businesses, SDAs	Focus on mature industries Dislocated Worker Centers staffed 50% by members of workforce
MI	Job Opportunity Bank	1985	Governor's Office of Job Training	$4 million			
	Upgrade	--		($2 million)	Existing workforce	Employers and public/private vendors	Funds for existing employees in firm of less than 500 undergoing tech. change and investing in capital
	Retrain	--		($2 million)	Dislocated workers and potentially unemployed	Community colleges	Must provide retraining for demand occupations Payment upon placement in job

State	Program	Year	Agency	Funding	Program Recipients	Delivery	Program Points
MN	Minnesota Job Skills Partnership	1983	Job Skills Partnership Board	$2 million	Educational institutions	Public education and non-profits	Governed by board Industry matched on a 50-50 basis Focus on business/education partnership
MO	Job Development Fund	1986	Dept. of Economic Development	$6 million	No eligibility requirements	Thru local operators like PICS, local ES, CAAs, regional agencies	Basic industry and new and expanding industry components Link training to capital investments
NJ	Jobs Training Program	1985	Dept. of Labor	$4 million	Dislocated workers and the working poor	Business or SDAs	One-quarter used for customized training
NY	Employer Specific Skills Training Grant Program	1984	Dept. of Education	$4.2 million	No eligibility requirements	Local education agencies, community college, BOCES	20% to dislocated workers and the economically disadvantaged New hires, expansions, upgrade, change in technology
	Community College Contract Course Fund	1980	SUNY	$2.4 million	No eligibility requirements	Community Colleges	$1,350 per FTE State aid reimbursable
	Chamber of Commerce		Dept. of Commerce	$1 million	No eligibility requirements	Chamber of Commerce	OJT funds to ten chambers of commerce
OH	Industrial Training Program	1982	Dept. of Development	$22 million biennial	No eligibility requirements	Local public educational institutions	Funds cannot be used for O.J.T. Covers 50% of training costs
PA	Customized Job Training Program	1982	Dept. of Education	$13.5 million	No eligibility requirements but some effort to target the economically disadvantaged	Local public/private educational institution	Companies receiving assistance for upgrade must show capital investment of at least an equal amount Pays 70% of training costs for upgrade, 80% for new jobs, up to 100% if meet dislocated worker or economically disadvantaged threshold
WA	Job Skills Program	1983	Commission for Vocational Education	$3 million biennial	No eligibility requirements	Public training and education system	Funds used for training in new firms, retraining and upgrading for existing firms