

## Workforce Development Agency **Skilled Trades Training Fund**

### **Background**

While Michigan's economy continues to gain momentum, there is still a challenge for companies to find talent with the skills they need. To address this issue, the Governor recommended, and the Legislature supported, the creation of the Skilled Trades Training Fund (STTF) in October of 2013. Now in its third year, the STTF continues to focus on assisting companies in meeting their talent challenges.

The STTF provides competitive awards for employer responsive training that enhances talent, productivity, and employment retention while increasing the quality and competitiveness of Michigan's businesses. The STTF ensures Michigan's employers have the talent they need to compete and grow, and individuals have the skills they need for in-demand jobs. Collaboration between the Michigan Works! Agencies (MWAs), economic development, and educational partners is essential to achieve demand-driven training that addresses talent shortages hampering the growth of Michigan's industries.

### **Allowable Training**

Training programs funded by the STTF must fill a demonstrated talent need experienced by an eligible participating business. The classroom training must lead to a credential for a skill that is transferable and recognized by the industry, and leads to permanent full-time employment or continued permanent full-time employment.

Examples of allowable training include:

- Classroom
  - Conducted by a third party, unless exclusive in nature
  - Lead to recognizable credential
  - May take place at training provider, onsite at company, or online
  - May be for existing employee(s) or individual(s) to be hired after the STTF application is approved
- On-site training with wage reimbursement for individuals to be hired
  - Training for the individual(s) to obtain skills to become proficient in the new job
  - Individual(s) must be hired after the STTF application is approved and before training begins
  - If individual(s) being hired have worked for the company through a temporary staffing agency, the individual(s) must be learning new job skills
    - It is not the intent of STTF to reimburse a business to train someone on a current job
- Apprenticeships– for new apprentices only
  - U.S. Department of Labor (USDOL) Registered Apprenticeships only

- Apprentices may be a new employee or an existing employee, new to the position

The cost of the training maximum is \$1,500 per trainee, with the exception of apprentices which is \$3,000 per trainee.

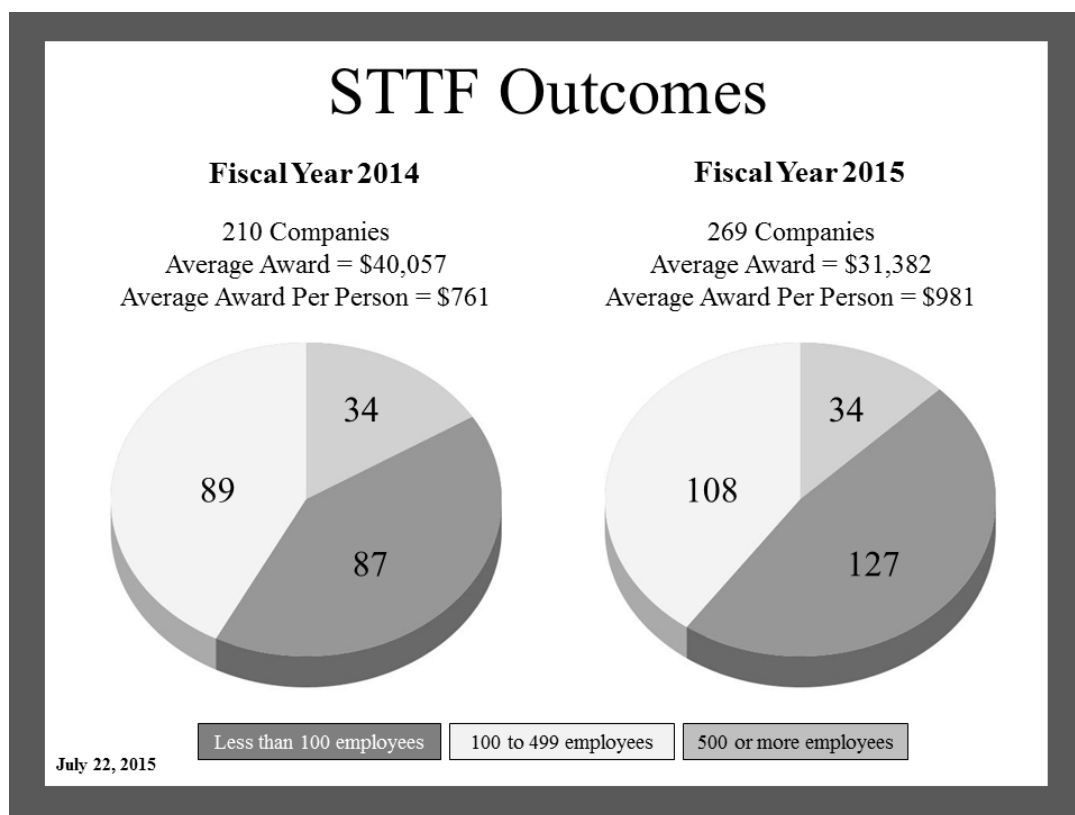
### Training Duration

Funding will be utilized to provide short-term training (three months or less) to meet current, documented needs of businesses. The exception to the three months is apprenticeship training.

### Funding Awards

Funding for approved classroom and apprenticeship training can be paid to the business, or to the training institution, at the completion of training. On-site training with wage reimbursement for individuals to be hired will be paid to the business, consistent with approved documentation of the eligible costs. Payment may be requested three months after the completion of training. Payment amounts will be according to the following schedule:

- 50 percent reimbursement earned once the employee has retained employment for 30 days, following training completion;
- 75 percent reimbursement earned once the employee has retained employment for 60 days, following training completion;
- 100 percent reimbursement earned once the employee has retained employment for 90 days, following training completion.



Visit our website at [www.michigan.gov/wda](http://www.michigan.gov/wda) for more information and a list of contacts for STTF.