



Michigan New Jobs Training Program

Public Acts 359 and 360 of 2008 created the Michigan New Jobs Training Program (MNJTP). This program, designed as an economic development incentive, authorizes community colleges to create a training pool (financing mechanism is flexible, colleges can issue debt, borrow from reserves, or use a pay-as-you-go model) to support employers that are creating new jobs and/or expanding operations in Michigan. The training for the newly hired workers is paid by capturing the state income tax associated with the new employees' wages and redirecting it to the college, instead of the state.

Colleges with Signed MNJTP Agreements: Delta College, Grand Rapids Community College, Jackson Community College, Kellogg Community College, Lansing Community College, Monroe County Community College, Mott Community College, Muskegon Community College, Northwestern Michigan College, Oakland Community College, and Schoolcraft College.

Number of Projected New Jobs Supported by Existing MNJTP Agreements: 9,749

Employers Served by the Program: ADAC Automotive; ADCO Products, Inc.; Altronics Energy; Autocam Corp; Bleistahl North America; Bradford Company; Brembo North America; Chagan US Research and Development Center; Central Lake Armor Express Inc.; Century Inc.; Commonwealth Associates Inc.; Denso International America; Dokka Fasteners; Dow Kokam LLC; Eco Bio Plastics; Electro Optics; EMAG LLC; Farmers Group; General Motors (Lansing Delta Township, Lansing Grand River Assembly, and Flint); Great Lakes Industry of Jackson; Haworth; Hornet Manufacturing Inc.; Janesville Acoustics; Johnson Controls SAFT; Life Ways of Jackson & Hillsdale; LGChem; Meritor Heavy Vehicle Systems; Michigan Automotive Compressor Inc.; Moran Iron Works Inc.; NYX, Inc.; Oxus America, Inc.; Pridgeon and Clay Inc.; TAC Manufacturing Inc.; Trans-Matic, Inc.; United Shore Financial Services; Ventower Industries; WABCO North America; Washers Inc.; URV USA.

Benefits of Program:

- MNJTP allows the State to fully leverage the strong community college system to attract new business and industry and serve current employers that are creating new jobs. This is a **local program** (individual community colleges work directly with employers and local economic development to support job creation), and there are no restrictions by industry or employer size.
- MNJTP legislation requires no direct appropriation.
- This program has the potential to be a cornerstone of Michigan's workforce and economic development efforts, with the state's community colleges collaboratively partnering with state and local economic development to support and accelerate job creation.

MCCA POSITION ON ANNUAL CAP: The legislation includes a cap of \$50 million. At this point, the cap has been exhausted, but due to the length of the agreements, the actual exposure to the General Fund is relatively minimal. **As of April 26, 2013, only \$4,759,180 in income tax withholdings has been diverted in support of ALL EXISTING MNJTP contracts.** These contracts are providing the training for 9,749 projected new jobs in Michigan. The Department of Treasury has interpreted the cap as an *aggregate rolling cap*, meaning that there cannot be more than \$50 million of outstanding obligations at any time. The MCCA supports the original intent of the law for a true annual \$50 million cap.