



# The Michigan New Jobs Training Program



# Increase Your Competitive Edge in Michigan

As you know, well-educated and highly-trained employees are critical to compete in today's increasingly competitive global market. A skilled workforce can increase your company's competitive edge through higher productivity and improved morale.

If your company is moving to or expanding in Michigan, you can receive financial assistance for the customized training of your new employees through the Michigan New Jobs Training Program. This unique economic incentive allows for businesses to partner with one of the state's 28 community colleges, to develop a training program that produces the highly-trained employees that can increase your competitive edge.

# How the Michigan New Jobs Training Program Works



If a business is locating a facility or expanding operations in the state, the Michigan New Jobs Training Program can provide flexible funding to meet a variety of training and employee development needs for those new positions.

Funds to cover the costs of training are attained through community colleges issuing debt or self-funding. The debt is then repaid to the college through a diversion of withholding taxes generated by the wages earned by the new employees. In other words, training of new

employees is essentially paid by dollars that would otherwise have been paid to the state for withholding taxes – no new additional dollars are expended to cover the costs of training. Businesses can gain a competitive edge through virtually **cost-free training of their new employees.**

## **How to Get Started?**

To begin the process, eligible employers should contact their local community college and submit an application. Main contacts for the 28 community colleges and program application are available online at [www.mcca.org](http://www.mcca.org).

“The Michigan New Jobs Training Program is a valuable tool for employers to obtain the highly skilled and trained workers they need to be successful. This unique collaboration between our community colleges and businesses expanding or coming to Michigan will be a cornerstone of this state’s economic revitalization.”

**Michael Hansen**

President  
Michigan Community  
College Association

***For more information contact***

**Adriana Nichols, Ph.D**

**222 Chestnut**

**Lansing, Michigan 48933**

**517.372.4350**

**[anichols@mcca.org](mailto:anichols@mcca.org)**

# Frequently Asked Questions

## Eligible Employers

If you are engaged in business and have employees in the State of Michigan, you may be eligible to take advantage of the Michigan New Jobs Training Program. Employers in Michigan may enter into an agreement under the program with a state community college district if they are creating new jobs in this state that:

- Are full-time, in a new, existing or expanding business of the employer;
- Are not jobs of recalled workers, replacement jobs, or any other job that existed in the employer's business within the 1-year period preceding the date of an agreement;
- Are new jobs that pay at least 175 percent of the minimum wage, or \$12.95 per hour;
- Are new jobs that result in a net increase in employment in this state for the employer.



**Q:** What is the purpose of the Michigan New Jobs Training Program (MNJTP)?

**A:** Under MCL 389.161 – 389.166, employers can obtain training for new employees hired for new jobs under the Michigan New Jobs Training Program. Designed as an economic development incentive, the MNJTP authorizes community colleges to issue debt on behalf of employers that are creating new

jobs and/or expanding operations in Michigan for the purpose of funding a variety of training and employee development needs for those new positions.

**Q:** How does this program work?

**A:** Eligible employers contact their community college and submit an application. Community colleges then work with

employers creating new jobs to identify training needs and calculate the needed financial support to fund training. Preliminary agreements are used to “set the clock”, lock in the date from which new employees can be counted for the project and training expenses may be reimbursed. It is preliminary in nature and either the college or the employer can decide not to proceed. Final agreements need approval by the community college board of trustees, but require no review or approval from the State. The community colleges then raise capital by either issuing debt in the form of bonds (by themselves or in a group issuance administered by the Michigan Municipal Bond Authority, or by using the colleges’ reserves or operating funds to self-fund projects. It is up to each college to determine the best approach and financing mechanism to raise the training funds. Finally, the colleges administer the training funds and ensure employer needs are being met.

**Q: How is the debt repaid?**

**A:** Community colleges issue debt on behalf of employers. Employers then repay the debt by a diversion of withholding taxes generated by the wages earned by the new employees. Funds available through the MNJTP are dependent upon training needs and projected withholding tax revenue available to repay the debt.

**Q: What are the benefits to participating employers?**

**A:** Employers pay the cost of training for new employees with dollars that would otherwise have been paid to the state for withholding taxes. The MNJTP allows employers to take a credit and send those dollars to the community colleges to retire the debt funding the training program. If an employer hires the number of new employees and pays the wages it certified to the college, the program costs the employer nothing. However, should the employer not hire the

number they certify, or leave Michigan before the debt is retired through normal withholding diversion, the employer would still be liable for meeting the terms of the contract (participating employers do assume the risk of repayment through a diversion of withholding taxes).

**Q: What type of training services and program costs can be funded using the MNJTP?**

**A:** A wide range of training can be offered, from highly specialized/customized training to basic skills instruction; MNJTP funds can be used for the following:

- Adult basic education and job-related instruction;
- Developmental, readiness, and remedial education;
- Vocational and skill-assessment services and testing;
- Training facilities, equipment, materials, and supplies;
- Administrative expenses for the new jobs training program;



- Subcontracted services with public universities and colleges in this state, private colleges or universities, or any federal, state, or local departments or agencies; and
- Contracted or professional services.

**Q:** Can the MNJTP pay for OJT?

**A:** No, OJT is not included as an allowable expense under the MNJTP.

**Q:** What happens if an employee resigns?

**A:** MNJTP funds follow the positions not the individuals hired into those positions. The employer is still liable for the amount of the withholding tax diversion for the certified positions under the contract.

# Find Your Local Community College

Questions? Contact the workforce development officer at the community college in your area. Specific contact information can be found at [www.mcca.org](http://www.mcca.org)

① Alpena Community College  
989.356.9021  
[www.alpenacc.edu](http://www.alpenacc.edu)

② Bay College  
906.786.5802  
[www.baycollege.edu](http://www.baycollege.edu)

③ Delta College  
989.686.9000  
[www.delta.edu](http://www.delta.edu)

④ Glen Oaks Community College  
269.467.9945  
[www.glenoaks.edu](http://www.glenoaks.edu)

⑤ Gogebic Community College  
906.932.4231  
[www.gogebic.edu](http://www.gogebic.edu)

⑥ Grand Rapids Community College  
616.234.4000  
[www.grcc.edu](http://www.grcc.edu)

⑦ Henry Ford Community College  
313.845.9600  
[www.hfcc.edu](http://www.hfcc.edu)

⑧ Jackson Community College  
517.787.0800  
[www.jccmi.edu](http://www.jccmi.edu)

⑨ Kalamazoo Valley Community College  
269.488.4400  
[www.kvcc.edu](http://www.kvcc.edu)

⑩ Kellogg Community College  
269.965.3931  
[www.kellogg.edu](http://www.kellogg.edu)

⑪ Kirtland Community College  
989.275.5000  
[www.kirtland.edu](http://www.kirtland.edu)

⑫ Lake Michigan College  
269.927.8100  
[www.lakemichigancollege.edu](http://www.lakemichigancollege.edu)

⑬ Lansing Community College  
517.483.1855  
[www.lcc.edu](http://www.lcc.edu)

⑭ Macomb Community College  
586.445.7999  
[www.macomb.edu](http://www.macomb.edu)



⑮ Mid Michigan Community College  
989.386.6622  
[www.midmich.edu](http://www.midmich.edu)

⑯ Monroe Community College  
734.242.7300  
[www.monroecc.edu](http://www.monroecc.edu)

⑰ Montcalm Community College  
989.328.2111  
[www.montcalm.edu](http://www.montcalm.edu)

⑱ Mott Community College  
810.762.0200  
[www.mcc.edu](http://www.mcc.edu)

⑲ Muskegon Community College  
231.773.9131  
[www.muskegon.cc.mi.us](http://www.muskegon.cc.mi.us)

⑳ North Central Michigan College  
231.348.6600  
[www.ncmich.edu](http://www.ncmich.edu)

㉑ Northwestern Michigan College  
231.995.1000  
[www.nmc.edu](http://www.nmc.edu)

㉒ Oakland Community College  
248.232.4175  
[www.oaklandcc.edu](http://www.oaklandcc.edu)

㉓ St. Clair County Community College  
810.984.3881  
[www.sc4.edu](http://www.sc4.edu)

㉔ Schoolcraft College  
734.462.4400  
[www.schoolcraft.edu](http://www.schoolcraft.edu)

㉕ Southwestern Michigan College  
269.782.1000  
[www.swmich.edu](http://www.swmich.edu)

㉖ Washtenaw Community College  
734.973.3300  
[www.wccnet.edu](http://www.wccnet.edu)

㉗ Wayne County Community College District  
313.496.2600  
[www.wcccd.edu](http://www.wcccd.edu)

㉘ West Shore Community College  
231.843.5540  
[www.westshore.edu](http://www.westshore.edu)



222 North Chestnut  
Lansing, MI 48933  
phone 517.372.4350  
fax 517.372.0905  
[www.mcca.org](http://www.mcca.org)

