

Legislative Alert

ARIZONA NEW EMPLOYEE TRAINING PROGRAM REINACTED

Atlas Insight assists companies from all industry sectors and geographies to negotiate and secure tax credits and incentives for business investment and job creation/retention.

The professionals at Atlas Insight are industry leaders in the field of corporate site selection and incentive procurement.

We help to choose locations for all types of business facilities that meet the long-term needs of those operations, while helping to achieve overall corporate goals.

Our team has extensive experience in all corporate sectors and has consulted on many sensitive projects for some of the world's largest corporations. We strive for excellence with every client.

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Target Audience: Arizona Employers Training New Employees

Summary of Changes

Effective August 9th, 2017, pursuant House Bill 2539, the Arizona Commerce Authority (ACA) reinstated the Arizona Training Program and extended the termination date to December 31, 2020. This comes after nearly a year of the program being defunded and inactive. The legislation includes changes to the allowable reimbursable expenses, application process, and eligibility requirements. Arizona has announced the first round of competitive applications for eligible employers to hire and train new employees for October 2017.

Arizona New Employee Training Program Overview

Arizona's training grant program offers cash grants to assist eligible Arizona employers to deliver employee training programs that will increase job-skills for new hires. The grant can reimburse for up to 100% of new employee training expenses for up to **\$8,000 per employee**. Grant awards are based on a pre-approved training plan and budget. The term of the agreement can run for a period of up to 18-months with a maximum award amount of \$1.3 million per company.

Eligible training costs include in-house trainer wages, third party training expenses, training materials, external training facility rental expenses, travel costs, OTJ training expenses to a registered apprentice, as well as other expenses the ACA may approve.

To be considered for an Arizona Training Grant, all trainees must earn over the qualifying wage rate based on the County a company is located. Only employees hired after the date of submission of the grant application may qualify for reimbursement. Funding is limited and training grants will be awarded based on a competitive application review process, based in part on the quality of the training program and new jobs, as well as the industry type.

At this time, the ACA has not announced whether there will be an application round for incumbent employee training, but the legislation does reinstate the Incumbent Worker Training Program as well.

Recommended Action

If your company is considering expanding in Arizona, then this legislation could present a valuable opportunity. The experts at Atlas Insight have the experience and resources to help you determine whether your company could qualify for this program. Our staff is ready to navigate you through the competitive application, approval, and compliance phases while ensuring that you receive and monetize the maximum benefit possible. Contact us today.

