



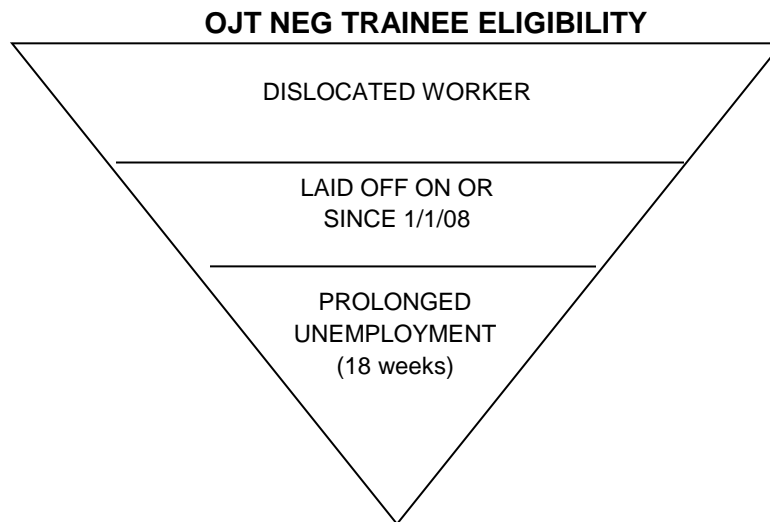
WORKFORCE INVESTMENT ACT (WIA) ON-THE-JOB TRAINING & OJT NEG OVERVIEW

WIA OJT (Program in place prior to OJT NEG, and for those who do not qualify for the OJT NEG):

- Employer reimbursed for up to 50% of wages (generally not to exceed \$4,000 or up to 6 months depending on training needed)
- Ideally minimum pay rate of \$10/hour
- Trainee is full-time, benefits eligible employee
- OJT Agreement must be signed BEFORE hiring
- Employer provides Workers Compensation
- Continued use for Adults and Dislocated Workers who are not OJT NEG eligible
 - Adult – 18 years or older, unemployed and in need of services to find employment; OR employed but in need of services to retain or obtain employment that allows for self-sufficiency. Low income and public assistance customers receive priority.
 - Dislocated Worker – Laid-off or has received notice of layoff; a displaced homemaker; or a former self-employed person unemployed due to economy or natural disaster.

OJT National Emergency Grant (NEG):

- \$75M Nationwide Grant funded by the American Recovery and Reinvestment Act
 - July 2010 to June 2014 (NH received \$3.8 million to date)
- Strong administration support for OJT with high focus on success
- Valuable tool to jumpstart hiring
 - Get dislocated workers back to work
 - Train them to meet employer needs
- State Directed Promotion Campaign



OJT NEG TRAINEE ELIGIBILITY DETAILS

Per US Dept. of Labor ETA, all 3 of the following criteria must be met:

1. Must be **Dislocated Worker** as Defined in WIA 101(9):

- 18 years of age or older and
- Citizen of the United States, or an eligible non citizen; and
- Registered with selective service (if applicable); and meets the requirements of more than one of the following criteria:
 - Has been terminated or laid off or has received a notice of termination or layoff from employment;

AND

- Is eligible for or has exhausted his/her entitlement to unemployment compensation; **OR**
- Has been employed for a duration sufficient to demonstrate, to the appropriate entity at a one-stop center, attachment to the workforce, but is not eligible for unemployment compensation due to insufficient earnings or having performed services for an employer that was not covered under State unemployment compensation law;

AND

- Unlikely to return to a previous industry or occupation;
- **OR** an individual who:
 - has been terminated or laid off, or has received a notice of termination or layoff, from employment as a result of any permanent closure of or any substantial layoff at a plant, facility, or enterprise; **OR**

- is employed at a facility at which the employer has made a general announcement that such facility will close within 180 days; **OR**
 - was self-employed (including employment as a farmer, a rancher, or a fisherman) but is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters; **OR**
 - is a displaced homemaker.
2. Must have been laid off on or since **January 1, 2008** (the date recognized as the onset of the current recession which justifies use of NEG funds)
 3. Must be determined to be “**prolonged unemployed**”, defined as unemployed beyond the state’s average Unemployment Insurance duration (NH average **18 weeks**). The number of weeks is the factor, not the UI status. An individual not covered by UI may still be considered prolonged unemployed if the period of unemployment exceeded the state’s average UI duration.

OJT NEG AREAS OF FOCUS

- Discouraged displaced workers who have exhausted UI benefits (or soon will)
- Individuals experiencing prolonged unemployment and with the greatest barriers to employment
- Workers from industry sectors that experienced high rates of job loss during recession; including, but not limited to construction, manufacturing, transportation and logistics, and administrative and support services

OJT NEG EMPLOYER ELIGIBILITY

- Must be private for-profit or non-profit sectors (Exceptions: casinos or other gambling establishments, swimming pools, aquariums, zoos, and golf courses not eligible)
- NO OJT NEG in public sector
- Seasonal employment disallowed
- Expectation that OJT will lead to continued unsubsidized employment beyond the OJT period
- No pattern of failing to provide OJT Trainees with continued employment
- Funds will not be used to relocate operations
- Company at current location at least 120 days
- Funds will not be used to assist, promote or deter union organizing

- OJT will not displace or reduce hours of currently employed workers; no other individual is on layoff from the same or any substantially equivalent job; cannot infringe on the promotional opportunity of currently employed worker.
- Small businesses with variety of occupations likely best opportunities to match workers with employers and foster economic growth for NH

OJT NEG REIMBURSEMENT RATES

- Negotiated rates are based on employer size

Employer Size

1-50 employees	up to 90% of wage rate
51 – 250 employees	up to 75% of wage rate
251 and more	up to 50% of wage rate

- Percentages cited are not “automatic” rates to apply
- Actual percentage rate used should factor in, actual company size and need, trainee skill assessment, skills gap, extent and length of training needed, etc.

WAGE CAP & REIMBURSEMENT

- OJT NEG Reimbursement cannot exceed a percentage (typically 50% up to 90%) of state’s average hourly wage rate
- Employers who elect to pay more than state’s average wage cannot receive reimbursement beyond percentage (50% up to 90%) of cap
- OJT participant must be compensated at same rate as trainees or employees in similar jobs, with similar training, experience, and skills.
- OJT NEG funded training cannot exceed 6 months
- Wage caps on which reimbursement is calculated, established by US DOL based on Bureau of Labor Statistics 2009 Occupational Employment Statistics

- **New Hampshire Employers: \$21.02**
- Maine Employers: \$18.53 (trainee must be NH resident)
- Massachusetts Employers: \$25.34 (trainee must be NH resident)
- Vermont Employers: \$19.68 (trainee must be NH resident)

Support Services

- One-time support payment for tools and other work-related necessities not generally provided by employer, but required for worker to succeed in completing OJT training plan

Partnering for Success

- WIA Collaboration with NH Department of Employment Security
 - High level of communication
 - Linkage of Return to Work (RTW) and OJT
 - Both focus on reducing upfront training costs for companies, and getting worker's foot in the door
 - Determine best option for employers and job seekers based on individual situations
 - WIA Employment Counselors and ESR Share Referrals
 - Discuss ways to leverage JPS and ESR relationship for optimized effectiveness in the business community
 - Work together to determine strategies to address prolonged unemployment (overcoming barriers to employment)

WIA OJT or Employer Outreach Assistance/Questions:

Contact:

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