

NORTH DAKOTA

**New Jobs
Training Program**

Application Process



Administered by Job Service North Dakota

Introduction

The North Dakota New Jobs Training Program fosters the growth and competitiveness of North Dakota's work force and industry by helping businesses lower the costs of training their new employees. The program funds education and training services to enable employees to best perform their jobs. The program is administered by Job Service North Dakota.

In order to apply for assistance to cover cost of training and program administration under the North Dakota New Jobs Training Program, the business must elect to self-finance or obtain a loan or repayable grant. Loans or repayable grants may be obtained from a commercial lender, a community, an economic development organization, Bank of North Dakota or other qualified private lender. The loan, repayable grant and the self-finance option are repaid through the capture of North Dakota State Income Tax Withholding which is generated from the wages paid to individuals employed in new job positions covered under an agreement with Job Service North Dakota. The term of the agreement is 10 years or until the loan or self-finance amount is repaid, whichever comes first.

Business Eligibility

"Primary sector business" means an individual, corporation, limited liability company, partnership or association which through the employment of knowledge or labor adds value to a product, process or service that results in the creation of new wealth. The term includes tourism, but does not include production agriculture.

Only those "primary sector businesses" meeting the following criteria will be considered for funding:

1. A new employer locating to North Dakota must create a minimum of five new jobs within the time set in the agreement.
2. An employer located in the state increasing its base employment level a minimum of one new employee.
3. An employer must not be closing or reducing its operation in one area of the state and relocating substantially the same operation to another area of the state.
4. Provides that every employee participating in the North Dakota New Jobs Training Program project must be paid a minimum of \$7.50 per hour plus benefits by the end of the first year of employment in the new job position created.

Application Instructions

Preliminary Agreement Application Instructions:

Complete SFN 51042, *North Dakota New Jobs Training Program Worksheet*.

A Preliminary Agreement may be entered into between Job Service North Dakota and the business or industry prior to completion of a Final Agreement. The Preliminary Agreement establishes an effective date for the North Dakota New Jobs Training Program. Individuals who are hired by the employer on or after the effective date of the Preliminary Agreement can be included under the North Dakota New Jobs Training Program.

The Preliminary Agreement provides a 90-day period for the parties to complete negotiation of the Final Agreement. There is no obligation on the part of either party to enter into a Final Agreement.

From the information submitted, a Preliminary Agreement will be prepared and sent to the employer along with two Form 500's—*Authorization to Disclose Tax Information and Designation of Representative*. The Form 500's are required by the North Dakota Tax Department and are needed prior to setting up special accounts to handle the State Income Tax Withholding to be credited to repayment of loans under the North Dakota New Jobs Training Program.

Final Agreement Application Instructions:

Complete SFN 19703, *New Jobs Training Program Application*.

BUSINESS INFORMATION Provide all requested information.

LENDING AGENCY INFORMATION or SELF-FINANCING INFORMATION

Provide all requested information.

NEW JOBS TRAINING PROGRAM EMPLOYEE INFORMATION Provide the information requested.

TRAINING Provide information on how training of new employees will be completed (on-the-job training, classroom training, etc.).

EMPLOYEE PHASE-IN SCHEDULE Identify by job title the planned employee phase-in over the next 24-month period to accomplish the business startup and/or expansion. Provide the number of individuals to be hired by occupation and wage rate for the new jobs being created. **(Job Service North Dakota will calculate a projection of North Dakota State Income Tax Withholding which will be available for repayment of the loan principal and interest during the ten-year period of the project.)**

BUSINESS CERTIFICATION The Business Certification Section of the application should be signed indicating that they are a Primary Industry and meet the eligibility requirements for the North Dakota New Jobs Training Program.

A Final Agreement between Job Service North Dakota and the business or industry must be in place within 90 days of the commencement date to the Preliminary Agreement or prior to the start date of any individuals hired in new job positions which are to be covered under the agreement. The Final Agreement will contain the following provisions:

- ▶ The starting date and ending date of the training
- ▶ The number of new jobs to be created and the number of new jobs requiring training
- ▶ The total North Dakota State Income Tax Withholding to be captured during the project
- ▶ The amount of the self-financing or the amount of the principal, interest and administrative costs associated with the project
- ▶ Default provisions that are consistent with the administrative rules of this program
- ▶ A provision specifying, upon occurrence of an event of default, the business is ineligible for North Dakota State Income Tax Withholding credits and shall immediately remit payment to their lender in full to satisfy the remaining debt service

Under the loan or repayable grant option, completion of a Final Agreement will require a letter from the lender which includes the following statement: ***“I certify to Job Service North Dakota that this employer is locating to or expanding employment in the state of North Dakota and a loan for payment of training costs associated with the new job creation has been approved.”***

Questions and completed applications regarding the North Dakota New Job Training Program should be directed to:

Workforce Programs
Job Service North Dakota
P.O. Box 5507
Bismarck, North Dakota 58506-5507
Phone: 701-328-3358
Fax: 701-328-4894



WORKFORCE PROGRAMS
JSND-6066 (R. 7-01)

Job Service North Dakota is an equal opportunity employer/program provider.
Auxiliary aids and services are available upon request.