

HB 41 - Incumbent Worker Training Program Updates

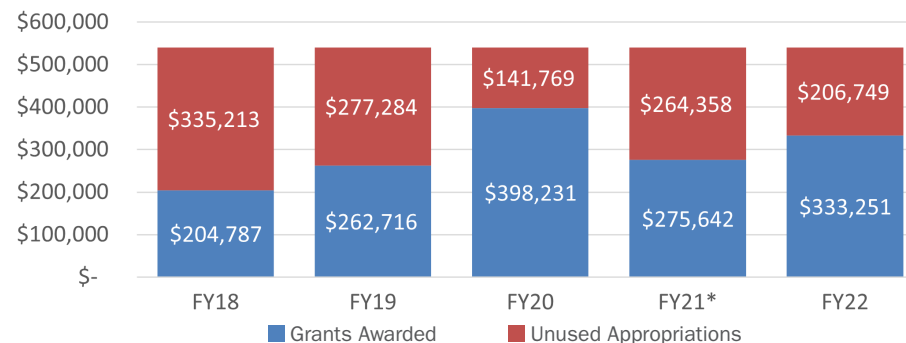
Representative James Bergstrom, HD 30

The Incumbent Worker Training Program (IWT) awards grants to Montana small businesses to help pay for worker training up to \$2,000 per employee. The training must increase the worker's skill-level, result in a wage gain, or expand business revenue. **Over the last five years, 640 businesses have received grants totaling \$1.5 million, training over 2,000 employees.**

HB41 would increase the per-worker grant amount from \$2,000 to \$3,000 and expand the program to Montana employers of all sizes with the intent of fully exhausting allocated funds. IWT appropriation is \$540,000 of Employment Security Account funds per year, but this funding has not been fully utilized, as shown in the chart below.

Figure 1. Grant Usage SFY18 – SFY22

*FY21 covers July 2020 to June 2021 during COVID disruption.



What is the Impact? Here are some descriptions from our Grantees:

- “Before these trainings, we were producing 1-2 drones a week; now we are producing 4-6 per week. It has increased our production a great amount. Producing and selling more drones helps us expand our business by having the funds to hire more employees and pay better wages. Post training, 2/3’s of our employees received a \$2 per hour wage increase.” Jordan Beyer, Skyfish LLC, Stevensville.
- “The IWT program has been a catalyst to expedite our business success and our team’s professional development. Access to industry specific training accompanied by recognized certifications allows our business to delivery high quality services and empowers our team members to advance through the organization. Since utilizing the IWT program over the past two years, we have more than doubled the number of job site leaders within our organization.” Dan Grosulak, Area Manager, Alpha Omega Disaster Restoration, Billings.

CONTACT

Aaron Larson
CSD, Policy Director
MTDLI
406.444.3830
aaron.larson@mt.gov

Barbara Wagner
WSD, Interim Administrator
MTDLI
406.444.5474
bwagner@mt.gov



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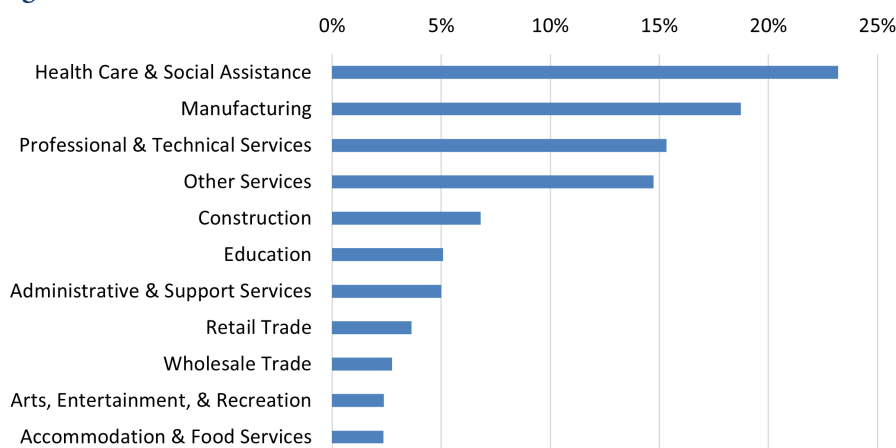
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- “We increased our backcountry tours and revenues by 15-20%, and increased wages for guides by \$3 per hour with IWT training.” Big Sky Adventures & Tours, Big Sky.

Who Receives Funds?

Recipients have been in many different industries, with the top industries shown below.

Figure 2. Share of IWT Grant Funded Awarded, SFY18 -SFY22



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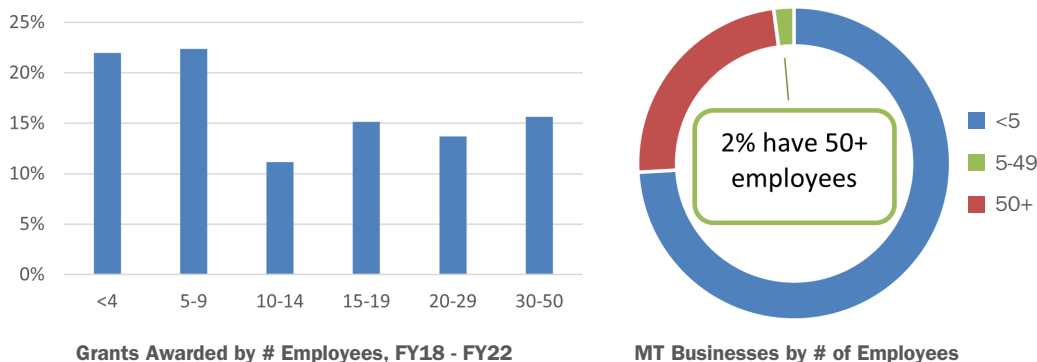
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Size of Employers and IWT grants

IWT is currently limited to employers with 50 or less employees, which includes most Montana businesses. HB41 expands eligibility to all Montana businesses, including the 2% of employers with over 50 employees.

Figure 3. Montana Employers by Business Sizes and Grant Receipt by Business Size



Find more information about the businesses that received IWT grants on our IWT data dashboard at dli.mt.gov/data-dashboards.

