

Workforce Training Grant (WTG)

Economic Benefits Summary Report

(Current as of November 2012)

Montana struggles with low wages and under-trained workers. The Primary Sector Business Workforce Training Act, §39-11-101, MCA, et seq., is designed to encourage the creation of jobs in primary sector businesses. The Program provides an essential job training incentive for new businesses to locate in Montana and provides existing businesses with essential support to train employees in new jobs that allow the businesses to expand in Montana without leaving the State.

Workforce Training Grant – All Projects

Training Awards & Leverage

Business Development Projects	41 projects
Total Funds Awarded Based on Job Projections (since FY2006)	\$14.1 million
Leveraged Funds (non-Commerce debt, equity, etc.)	<u>\$242.5 million</u>
Leverage Ratio (non-Commerce to WTG awarded dollars)	17 to 1

Investment of Leveraged Funds

Construction	\$135.8 million
Other Investment Activity (equipment purchase, training, etc.)	<u>\$106.8 million</u>
Total Investment ¹	\$242.5 million

Jobs

Proposed WTG Eligible Direct Jobs Created and/or Retained ²	4,257 jobs
Other Jobs Supported by WTG Workers	<u>5,306 jobs</u>
Total Jobs	9,563 jobs

Wages Earned

Annual Wages & Benefits Paid to WTG Created/Retained Workers	\$197.4 million
Annual Wages Paid to Supported Workers ³	<u>\$183.6 million</u>
Total Annual Wages & Benefits	\$381.0 million

Income Tax

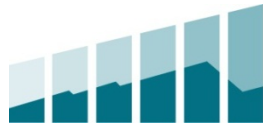
Annual Increased Income Tax Revenue (State General Fund Impact) ⁴	\$15.1 million
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¹ Figures do not sum due to rounding.

² Eligible jobs, full or part time, are those new to the company and meet the program's wage requirements.

³ Estimated using an input/output economic modeling software, Implan (www.implan.com).

⁴ Estimated using the respective project year's annual effective income tax rate as calculated by the MT Department of Revenue.



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The below table summarizes *only* Work Force Training Grant (WTG) business development projects that have been completed and closed out with the Program. Figures represent actual WTG eligible jobs that were hired and/or trained along with WTG actual award figures. More recent projects that are still open and ongoing are not included in the table below.

Workforce Training Grant – Completed Projects Only

Training Awards & Leverage

Business Development Projects	21 projects
Total Funds Awarded Based on Actual Jobs Created and/or Trained (since FY2006)	\$4.92 million
Leveraged Funds (non-Commerce debt, equity, etc.)	<u>\$173.0 million</u>
Leverage Ratio (non-Commerce to WTG award \$s ratio)	35 to 1

Investment of Leveraged Funds

Construction	\$100.6 million
Other Investment Activity (equipment purchase, training, etc.)	<u>\$72.4 million</u>
Total Investment ¹	\$173.0 million

Jobs

Actual WTG Eligible Direct Jobs Created and/or Retained ²	1,814 jobs
Other Jobs Supported by WTG Workers	<u>1,083 jobs</u>
Total Jobs	2,897 jobs

Wages Earned

Annual Wages & Benefits Paid to WTG Created and/or Trained Workers	\$66.4 million
Annual Wages Paid to Supported Workers ³	<u>\$34.7 million</u>
Total Annual Wages & Benefits	\$101.1 million

Income Tax

Annual Increased Income Tax Revenue (State General Fund Impact) ⁴	\$5.6 million
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