

November 4, 2015

Chairman Al Pscholka
Michigan House of Representatives
P.O. Box 30014
Lansing, MI 48909

Dear Chairman Pscholka:

Thank you for your willingness to take up SB 70 and 71, two bills effecting the Michigan New Jobs Training Program (MNJTP). Grand Rapids Community College (GRCC) and our employer partners have utilized this program to connect employers with workers with the specific skills needed to fill NEW jobs throughout West Michigan.

GRCC has used the MNJTP to work with employers like Farmers Insurance, Trans-Matic Inc., FOGG Filler Company, and Founders Brewing Company. These four companies alone have created 1,224 new jobs and are anticipating more. This unique program allows us to quickly and accurately train workers for a specific company's expansion needs.

While the \$50 million cap placed on the program in the beginning made sense at the time for an unproven program, we believe that a removal of that cap is now appropriate in order to allow the program to serve more employers. There is currently a waiting list of employers and community colleges around the state who would like to participate in the program.

It is important to note that when the original bill was passed in 2008, the sponsor, Fmr. Sen. Mark Jansen repeatedly stated that his intent was that the program cap be at \$50 million per year. Unfortunately, the interpretation by the Department of Treasury has been that it was a \$50 million total cap on the program.

It is important to note that this is NOT a tax credit. It is only a deferment of state income taxes on the wages of workers in new jobs until the training is paid off. These are taxes that the state would likely not see at all without this program.

These bills would also remove the sunset provision that ends the program in 2018. We are confident that the success and return on investment of the program merit its continuation.

Thank you for your consideration and that of your committee members. We are available to answer any questions you may have regarding GRCC's participation in the program.

Sincerely,



Steven C. Ender, Ed.D
President