



Article 179

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JTIP Helps Businesses Expand

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Outsourced labor, layoffs, and consolidation of jobs may have defined the past few years, but as the economy begins to throw off the weight of recession, businesses are turning their attention to adding workers to handle expanding workloads. Investing in staff is a commitment, especially when lack of training can delay employee productivity. The New Mexico Job Training Incentive Program (JTIP) helps businesses defray the cost of hiring and training new employees.

One of the most generous training incentive packages in the country, New Mexico's Job Training Incentive Program funds classroom and on-the-job-training for newly created jobs in expanding or relocating businesses from the smallest rural communities to the largest urban centers. The program, established in 1972, has supported the creation of 51,000 New Mexico jobs in more than 1,000 businesses by reimbursing a percentage of new employee wages. Company location, complexity of the job, and trainee wages determine the company's reimbursement.

Who qualifies

The type of business and whether it is expanding its workforce determine a company's eligibility. Companies must manufacture a product in New Mexico, be considered a "green" industry, or in the case of non-retail service companies, export a substantial percentage of services out-of-state. In addition, companies must be financially sound and creating new jobs as a result of expansion or relocation to New Mexico. Startups with a saleable product ready for production also qualify.

Eligible jobs must be newly created full-time, year-round positions that meet JTIP wage requirements. They can be either manufacturing or service oriented. A tenth of the jobs outlined in a company's application may be administrative.

Trainees must also meet a number of standards for program eligibility. They must be new hires, reside in New Mexico, and have lived in the state for one continuous year at any time. Trainees who dropped out of high school within three months of being hired cannot qualify for JTIP funding.

What is reimbursed

Structured on-the-job training and customized classroom training at a public educational institution qualify for reimbursement. Training may also be a combination of classroom and jobsite instruction. Wage reimbursement periods range from one to six months depending upon the complexity of the position. The percentage of reimbursement ranges, as well, with rates between thirty and forty percent in urban areas and up to seventy-five percent in rural or economically disadvantaged regions.

How to apply

To receive funding under JTIP, companies must submit a written proposal to the New Mexico Economic Development Division prior to hiring eligible employees. JTIP staff provide assistance with proposed development.

For more information on New Mexico's Job Training Incentive Program, go to www.gonm.biz.

Finance New Mexico is an initiative of the New Mexico Small Business Investment Corporation (NMSBIC) and its partners to assist individuals and businesses in obtaining skills and funding-resources for their business or idea. To learn more, go to www.FinanceNewMexico.org.

