

## TRANSMITTAL # 3

### MEMORANDUM

March 19, 2001

**TO:** Workforce Development Council  
**FROM:** Roger B. Madsen, Director  
**SUBJECT:** Workforce Development Training Fund—Rural Component

**ACTION REQUESTED:** Approval of the proposed Rural Component Guidelines

#### BACKGROUND:

The Workforce Development Training Fund Program has proven to be a highly effective tool in encouraging companies to create new quality jobs in Idaho. Since its inception in 1996, the program has assisted over 51 companies create 7,504 jobs. The average hourly wage for these jobs is \$10.70 plus benefits. The program has helped existing Idaho companies expand and has been an effective tool in recruiting new companies to our State.

In an effort to assist rural counties experiencing high unemployment and/or low personal income levels, Governor Kempthorne has requested that the Idaho Department of Labor and the Department of Commerce develop a rural training program for the Workforce Development Training Fund (WDTF). In response to this request, we have developed the WDTF Rural Component outlined below:

#### Workforce Development Training Fund – Rural Component

- A portion of the WDTF resources would be targeted to rural counties experiencing high unemployment rates and/or low per capita personal income .
- High unemployment will be defined at a 6.5% or higher annual rate. In the event of an economic emergency, the Directors of Labor and Commerce will have discretion to base the 6.5% rate on a shorter timeframe.
- “Low per capita personal income” will be defined as less than 80% of the state’s per capita personal income level.

- “Rural” will be defined as any county that does not have a city over 20,000 in population.
- For this rural training program, we would:
  - Increase the maximum available per trainee from \$2,000 to \$3,000.
  - Eliminate the requirement to create five new jobs to qualify for assistance.
  - Eliminate the 25% employer match requirement.
  - Simplify the application and contract process for these smaller, rural training grants.

Eligible employers in rural counties experiencing either high unemployment or low per capita personal income could apply for assistance. We will continue to utilize the existing requirements that employers are creating new jobs (at least one) and that the companies are involved in selling their products and services outside of the local labor market. We will create a more simplified application form for the Rural Component that meets the needs of employers creating one to four new jobs. If an employer is planning on creating five or more new jobs, then the company would utilize the existing application and contract process. The Directors of the Departments of Labor and Commerce would be responsible for maintaining the appropriate level of expenditures for the rural initiative and the regular WDTF Program.

We believe the above ideas will enable us to better serve rural areas experiencing economic distress, providing a valuable tool to promote economic growth, while maintaining the principles of the WDTF. We are requesting that the Workforce Development Council approve the above revisions to the WDTF guidelines. Attached are the eligibility criteria for the Rural Component and a list identifying the counties that currently qualify for the program.

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Attachment

## Workforce Development Training Fund - Rural Component

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Criteria: Rural counties experiencing high unemployment (6.5% or higher annually) or low per capita income (less than 80% of the state's average). In the event of an economic emergency, the unemployment rate may be based on a shorter time frame.

Area Name	Urban or Rural	Per Capita Personal Income 1998	Percentage of PCPI	Less than 80% of Idaho's PCPI	Average Annual Unemployment Rate 2000 <i>f</i>	Average Annual Unemployment Rate at 6.5% or More
State		\$22,079			4.5%	
Ada	Urban	\$30,230	136.9%		2.7%	
<b>Adams</b>	Rural	\$17,955	81.3%		<b>12.4%</b>	x
Bannock	Urban	\$19,759	89.5%		4.6%	
<b>Bear Lake</b>	Rural	\$15,378	<b>69.6%</b>	x	5.1%	
<b>Benewah</b>	Rural	\$18,440	83.5%		<b>11.2%</b>	x
<b>Bingham</b>	Rural	\$16,837	<b>76.3%</b>	x	4.1%	
Blaine	Rural	\$39,186	177.5%		3.1%	
<b>Boise</b>	Rural	\$19,944	90.3%		<b>6.6%</b>	x
<b>Bonner</b>	Rural	\$18,232	82.6%		<b>8.2%</b>	x
Bonneville	Urban	\$21,608	97.9%		3.0%	
<b>Boundary</b>	Rural	\$16,669	<b>75.5%</b>	x	<b>7.8%</b>	x
Butte	Rural	\$18,886	85.5%		3.3%	
Camas	Rural	\$21,698	98.3%		3.5%	
Canyon	Urban	\$17,833	80.8%		4.2%	
Caribou	Rural	\$19,484	88.2%		5.5%	
Cassia	Rural	\$19,923	90.2%		5.8%	
Clark	Rural	\$19,145	86.7%		4.5%	
<b>Clearwater</b>	Rural	\$18,377	83.2%		<b>12.5%</b>	x
<b>Custer</b>	Rural	\$22,666	102.7%		<b>6.9%</b>	x
Elmore	Rural	\$20,679	93.7%		5.6%	
<b>Franklin</b>	Rural	\$15,230	<b>69.0%</b>	x	3.5%	
<b>Fremont</b>	Rural	\$14,979	<b>67.8%</b>	x	6.4%	
<b>Gem</b>	Rural	\$17,516	<b>79.3%</b>	x	5.4%	
Gooding	Rural	\$24,032	108.8%		3.3%	
<b>Idaho</b>	Rural	\$17,226	<b>78.0%</b>	x	<b>9.5%</b>	x
<b>Jefferson</b>	Rural	\$16,564	<b>75.0%</b>	x	3.6%	
Jerome	Rural	\$22,702	102.8%		4.0%	
Kootenai	Urban	\$22,038	99.8%		6.8%	
Latah	Rural	\$20,846	94.4%		3.1%	
<b>Lemhi</b>	Rural	\$18,671	84.6%		<b>8.0%</b>	x
<b>Lewis</b>	Rural	\$18,269	82.7%		<b>7.1%</b>	x
Lincoln	Rural	\$18,854	85.4%		4.4%	
<b>Madison</b>	Rural	\$13,553	<b>61.4%</b>	x	2.3%	
<b>Minidoka</b>	Rural	\$16,669	<b>75.5%</b>	x	<b>6.8%</b>	x
Nez Perce	Urban	\$23,707	107.4%		3.8%	
<b>Oneida</b>	Rural	\$15,260	<b>69.1%</b>	x	3.4%	
<b>Owyhee</b>	Rural	\$16,370	<b>74.1%</b>	x	3.9%	
<b>Payette</b>	Rural	\$17,096	<b>77.4%</b>	x	<b>7.0%</b>	x
<b>Power</b>	Rural	\$17,427	<b>78.9%</b>	x	6.4%	
<b>Shoshone</b>	Rural	\$19,296	87.4%		<b>9.7%</b>	x
<b>Teton</b>	Rural	\$14,826	<b>67.1%</b>	x	2.9%	
Twin Falls	Urban	\$21,008	95.1%		4.0%	
<b>Valley</b>	Rural	\$23,100	104.6%		<b>7.4%</b>	x
<b>Washington</b>	Rural	\$15,761	<b>71.4%</b>	x	<b>8.5%</b>	x

**Workforce Development Training Fund - Rural Component**

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**Total**

**16**

**15**