



Fall River Area Chamber of Commerce & Industry, Inc.

## NEWS RELEASE

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**Legislative Action to Restore Workforce Training Funds is welcomed by the Chamber.**

Fall River, MA – The Fall River Area Chamber of Commerce and Industry is the voice of businesses throughout the greater Fall River region. As the voice of business since 1911, the Chamber advocated action on the Workforce Training Fund (“WTF”), which is an issue vital to many member businesses.

In August, the Chamber’s Board of Directors voted unanimously to petition the Legislature to restore WTF monies owed to businesses in the Commonwealth. We called upon the Legislature to pass a Prior Appropriation Continued (“PAC”) provision that serves to release the millions of dollars in FY 2009 hold over funds in the FY 2010 final deficiency budget. An appealed for a supplemental budget request that restores \$11 million into the WTF was also made by the Chamber. This action would bring the WTF to the original \$21 million. The Chamber strengthened its message by partnering with member businesses, the Associated Industries of Massachusetts (“AIM”) and the SouthCoast legislative delegation. The message resonated!

On Tuesday, October 20, 2009 the Legislature released \$11.1 million in workforce training funds. WTF monies were owed to employers under training grants made before July, 2009. The Chamber and its member businesses are very grateful for the discharge of the previously frozen funds. This action finally resolves a four month long impasse that left as many as 300 companies without reimbursements after provided training for their workers. The bill now goes to the Governor, who is expected to sign it.

Individual companies have spent thousands of dollars in workforce training in good faith. The House and the Senate have done the right thing by finally making the promised funds available. The Workforce Training Fund is vital to businesses because it provides resources for employers to upgrade worker skills for the purpose of preserving and creating jobs in the Commonwealth.

Enacted in 1998, the WTF is financed entirely by Massachusetts employers through a tax added to the state unemployment tax and it is expressly stated to be used for employment training purposes only. Approximately \$21 Million is collected annually from Massachusetts businesses to finance the WTF. Since its inception, the WTF has awarded \$175 million in grants to 2,454 employers to train 243,000 employees throughout the state.

An issue yet to be resolved is that the Legislature only approved \$10 million for the WTF in the current fiscal year. This amount is less than half of the \$21 million that employers pay to fund the program each year. The Chamber is deeply concerned that the remaining \$11 million, which is earmarked for workforce training, may be taken by the Legislature and reallocated into the state’s general accounts. This action hurts employees and stalls efforts to end the Recession.

*The Fall River Area Chamber of Commerce & Industry serves as the voice of business since 1911. For more information, please call (508) 676-8226 or visit the Chamber of Commerce Web site, [www.fallriverchamber.com](http://www.fallriverchamber.com).*