

EXHIBIT 12
DATE 3/6/13
HB 2



March 8, 2013

TO: Chairman Duane Ankney and the House Appropriations Committee

RE: Incumbent Worker Training Funding Shift in HB2

The Montana Business Expansion and Retention (BEAR) Program is strongly opposed to shifting funds for the Incumbent Worker Training Grant (IWTG) Program from the Employment Security Account (ESA) to the Uninsured Employer Fund (UEF) for Workers Comp. We urge you to leave the funding for IWT as is.

BEAR is a partnership with the Governor's Office of Economic Development, Montana Department of Commerce, Montana Department of Labor, ExecutivePulse and Montana Economic Developers Association (MEDA). To date, over 1,600 businesses have been reached by BEAR Teams to provide resources that strengthen Montana businesses. The BEAR Program, along with Montana Manufacturing Extension Center and Small Business Development Centers, serve as the gateway program to Incumbent Worker Training Grant access.

In 2012, out of the 320 businesses visited, 257 were interested in obtaining an Incumbent Worker Training Grant (IWTG). While BEAR has much to offer businesses as the program stands, small businesses across Montana have a great need for financial assistance in training incumbent workers.

To demonstrate the need for these funds: for the first time since the program's inception BEAR Teams in all of central Montana are out of IWTG funding including teams for Great Falls, Helena, Bozeman, and Butte. Other areas are close to a zero balance. As funding for the program is already tight, **to shift the funds to the unpredictable Uninsured Employer Fund for Workers Comp would kill the program**; Montana Department of Labor does not anticipate any excess UEF funds over the next two years.

With your support, this program will continue to meet the need of incumbent worker training statewide and meet the needs of business owners in Montana. Please demonstrate your support by keeping the IWT funds in the Employment Security Account.

Thank you,

Gloria O'Rourke
BEAR Director

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