

# Incumbent Worker Training Program (IWTP) Small Business Employee Training Program

## Overview:

The IWTP Small Business Employee Training Program (SBET) is designed to benefit business and industry by assisting in the skill development of existing employees through individual, standardized (off-the-shelf) training. Employers are reimbursed for tuition and required textbooks and manuals once the training has been completed and proper documentation has been submitted to the Louisiana Workforce Commission (LWC). Training costs cannot exceed \$3,000 per trainee per state fiscal year (July 1-June 30). Funding is provided through the Incumbent Worker Training Account.

## Training Can Consist of:

1. Classes, either non-credit or credit, at an educational institution under the policy or direct management authority of the Board of Regents. Training providers must be domiciled in Louisiana, and show a demonstrated history of successful training in the area of instruction to be given (referred to as training type G-1).
2. Training from a manufacturer or its representative within one year of the purchase of equipment valued at more than \$3,000 where the training is not otherwise incorporated into the purchase price of the equipment (referred to as type G-2).
3. Training from a manufacturer or its representative to upgrade computer skills (referred to as type G-3).
4. Training from a national, regional, or state trade association [organizations recognized as tax-exempt under IRC 501(c) (6)] that offers an independently certified training curricula and testing, which can demonstrate a successful training history of at least five years (referred to as type G-4).

## Eligibility Criteria:

Employers must have been in business in the state for at least three years, contributing to the Incumbent Worker Training account, be in full compliance with Louisiana's Unemployment Insurance laws, have 50 or fewer employees and cannot receive customized training and SBET concurrently.

Trainees must be incumbent workers for whom the employer incurs a UI tax liability for the state of Louisiana.

Training providers under the policy or direct management authority of the Board of Regents must be domiciled in Louisiana and show a demonstrated history of successful training in the particular instruction that will be given. National, regional, or state trade associations that offer independently certified training curricula and testing must demonstrate a successful training history of at least five years

The request for training must be in a labor demand occupations(\*) as defined for Workforce Innovation and Opportunity Act (WIOA) purposes, listed on the LWC website at [STAR Jobs](#).

(\*) Labor demand occupations are assigned a STAR rating of 3-5 stars.

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## The Process:

1. Employer decides what training is needed and selects a suitable training provider(s).
2. Employer completes and submits SBET Application online and sends signature page and appropriate support documentation to LWC.
3. Applications are reviewed by LWC staff to assure that all SBET requirements are met.
4. Applications are submitted to the IWTP Director for review and approval.
5. After approval of the IWTP Director, employer is notified and training begins.
6. Employer submits proof of payment and completion of training in order to receive reimbursement from LWC.

## Frequently Asked Questions:

### General

1. When is an employee considered an "incumbent worker?"  
Once he/she is on the payroll of an employer.
2. Who receives the funds?  
LWC reimburses the employer.
3. A When can training start and when can funds be reimbursed?  
The employer must submit the SBET application and receive LWC approval, in writing, prior to the start of any training. Funds can be reimbursed upon completion of the training. In order to be reimbursed, the employer must submit invoices for approved training expenditures along with:
  - 1) Copy of Invoice your company received for training completed
  - 2) Proof of payment receipt (Credit Card, Check [Front/Back], etc.)
  - 3) Proof of completion from the training provider
  - 4) Proof of a pay increase (if any)
  - 5) Proof that wages were paid for the training hours attended

**ALL MUST BE WITHIN 30 days OF THE COMPLETION OF THE TRAINING.**

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4. What training costs are eligible for reimbursement?  
Tuition and required textbooks and manuals are eligible for reimbursement.
5. Can travel be included in the tuition costs?  
No.
6. Are college credit courses eligible for reimbursement?  
Yes.
7. Are there any limits on the cost of training?  
Yes. Training costs cannot exceed \$3000 per trainee per state fiscal year.
8. Can an employer be reimbursed for a trainee's wages during actual training time?  
No.
9. Can an employer train employees in different occupations?  
Yes.
10. How does an employer apply for SBET?  
The employer must apply online by completing the SBET Application for LWC approval.
11. What if the cost for the course requested exceeds \$3,000?  
LWC will only reimburse \$3,000 per trainee, per fiscal year.
12. Can an employer receive reimbursement for part-time employees?  
Yes, the employer may be reimbursed for part-time employees as long as the employer incurs a state unemployment tax liability for the employee.
13. Can workers be sent out of state to be trained?  
No.

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## Employer Eligibility:

1. Can an employer apply for more than one SBET application in the same year?  
Yes, as long as the training is completed before the end of the state fiscal year (June 30) in which it was begun.
2. Can an employer receive IWTP Customized Training and SBET concurrently?  
No.
3. Why can't an employer who does not contribute quarterly to UI taxes participate in the SBET?  
SBET is funded by a social charge assessed on employers as part of their quarterly UI tax payments, therefore, only those employers that contribute to the system on a quarterly basis are eligible to participate.
4. If an employer that has not been in business for three years purchased a company that has operated in Louisiana for at least three years, is the employer eligible to participate?  
There is a good possibility that an employer can qualify based on current records combined with their predecessor's. The Chief of Tax for LWC will review UI tax records to determine whether an employer meets the eligibility requirements.
5. Who reviews and approves the application?  
The initial review and recommendation for approval is made by the SBET Administrative Office Specialist and IWTP Manager. The IWTP Director grants final approval. A letter of approval is forwarded to the employer upon approval of the application.

## Selecting a Training Provider:

1. Who selects the training provider(s)?  
The employer determines his or her training needs.
2. Does an employer have to select a public training provider(s)?  
No.
3. Is it possible to use multiple training providers?  
Yes.
4. Does training have to be held at a training institution?  
No. Training can be held at an employer's work site as well.
5. Are there any time restrictions on the training period?  
Yes. Training must be completed by the end of the state fiscal year (June 30) in which it was begun.