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**WORKFORCE SOLUTIONS
EAST TEXAS**



PRESS RELEASE

New Workforce Pilot Program to Save Unemployment Insurance Trust Fund Dollars

East Texas Ready To Work Program Offered to Employers

KILGORE, TX, MARCH 11, 2009: The Workforce Solutions East Texas Board will receive \$500,000 from the Texas Workforce Commission (TWC) to fund the East Texas Ready to Work pilot project that will target individuals who are beginning to receive unemployment insurance (UI) benefits; and had an hourly wage of \$15.00 or less.

The pilot project will be an on-the-job training program with employers to provide basic training in the workplace such as teamwork, conflict management, adaptability, initiative, work ethic, following directions, etc. The duration of the training will be for 4 weeks or 160 hours. The employer will be reimbursed 50% of the participant's training wage, or up to \$4.00 an hour. No UI taxes will have to be paid on the individual in the 4 week or 160 hour training period.

Wendell Holcombe, Director of Workforce Development for the East Texas Workforce Solutions board, indicated that this initiative was conceived by TWC chairman, Tom Pauken, as a means of reducing costs of unemployment benefits for East Texas employers.

TWC reviewed the UI claimant history in East Texas from July 2007 through March 2008 and concluded the average length of UI claims in East Texas was 11.23 weeks. The goal of East Texas Ready to Work is to re-employ UI claimants within 4 weeks rather than having them continue to draw UI for 11.23 weeks. If a claimant is employed within 4 weeks, a cost savings of \$1,221.50 per individual will occur to the UI trust fund. The goal of TWC is for the Board to serve 500 UI claimants which could result in a savings of \$610,750.00 to the UI trust fund. Any claimant becoming employed before 11.23 weeks will result in a savings to the UI trust fund.

"The recent economic situation has presented employers with an increased pool of ready and willing workers and East Texas Ready to Work will provide a positive economic incentive for employers to put them to work now," said Holcombe.

For more information, contact Wendell Holcombe at (903) 984.8641 x254 or Wendell.Holcombe@etcog.org.

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