

Just the Facts:

Bluegrass State Skills Corporation (BSSC) Grant-in-Aid (GIA) and Skills Training Investment Credit (STIC) Programs

FY 2020-2021

Program Description

The Bluegrass State Skills Corporation (BSSC) was established in 1984 to stimulate economic development through customized business and industry-specific skills upgrade and occupational upgrade training. The BSSC approves incentives for qualified companies through a Grant-in-Aid (GIA) program and/or a Skilled Training Investment Credit (STIC). The GIA provides reimbursement dollars to companies/consortia and the STIC provides a tax credit against Kentucky income taxes to companies for company specific training activities.

Program Qualifications, Incentive Awards, and Training Costs

	Grant-in-Aid (GIA)	Skills Training Investment Credit (STIC)
Qualified Company	<p>Any person or legal entity through which business is conducted that has been or is planning to be actively engaged within the Commonwealth in:</p> <ul style="list-style-type: none"> • Manufacturing • Agribusiness • Nonretail service or technology • National or Regional Headquarters • Healthcare <p>A consortia is also a qualified company.</p>	<p>Any person or legal entity through which business is conducted that has been or is planning to be actively engaged within the Commonwealth in:</p> <ul style="list-style-type: none"> • Manufacturing • Agribusiness • Nonretail service or technology • National or Regional Headquarters • Healthcare
	<p>"Qualified company" does not include companies where the primary activity to be conducted within the Commonwealth is forestry, fishing, mining, coal or mineral processing, the provision of utilities, construction, wholesale trade, retail trade, real estate, rental and leasing, educational services, accommodation and food services, or public administration services. Any company whose primary purpose is the sale of goods at retail shall not constitute a qualified company.</p>	
Co-Applicant	<p>May be an Educational Institution providing training</p>	

Minimum Incentive Award	\$6,000	
Maximum Incentive Award	<p>The maximum funding amount for qualified companies during a BSSC fiscal year (July 1 – June 30) is the <u>LESSER</u> of the following:</p> <ul style="list-style-type: none"> • 50% of approved costs/eligible costs • \$75,000 • \$2,000 x number of trainees 	<p>The maximum tax credit amount for qualified companies during each two year biennium (July 1, 2020 – June 30, 2022) is the <u>LESSER</u> of:</p> <ul style="list-style-type: none"> • 50% of approved costs/eligible costs • \$75,000 • \$500 x number of full-time, Kentucky resident employees paid a minimum total hourly compensation of at least \$12.51, including benefits, at application
Application Approval Limit	<p>Qualified companies may receive one approved GIA per fiscal year, for one federal employer identification number per county, subject to availability of funds and the company's application score</p>	<p>Qualified companies may receive one approved STIC per state biennium, subject to availability of tax credits and the company's application score</p>
Eligible Training Costs	<p>The following properly documented training costs for occupational upgrade and/or skills upgrade training are eligible:</p> <ul style="list-style-type: none"> • In-House Training (\$25 per hour permitted) • Educational Institution and Consultant Training • Instructional Materials and Supplies used only for Training • Employee/Trainee Wages <p>Safety, mandated, and regulatory training is eligible if it totals no more than 25% of the overall eligible training. Retroactive training, pro/con union training, employee assessments/evaluations, curriculum development, unrelated industry training, and training provided through the KCTCS TRAINS program are not eligible for BSSC incentives.</p>	
Scoring	<p>Application must receive a minimum score of 60 to qualify and be eligible for consideration.</p>	
Length of Incentive Agreement	<p>1 year – Extension may be authorized, not to exceed three (3) months for the project to finalize and submit the required training documentation (not to complete training).</p>	
Method of Recovery	Cash Disbursement	Kentucky Income Tax Credit
Maximum Funding	\$4,300,000 per fiscal year	\$2,500,000 per fiscal year

Application Process and Scoring

Subject to funding availability, GIA and STIC applications are accepted throughout the year prior to scheduled board meetings. Incentives are limited, which may preclude all eligible applications from being funded. Below is an overview of the process.

- The qualified company and an educational institution (when applicable) submit an application to the Bluegrass State Skills Corporation (BSSC) detailing the training to be provided. All applications will be date and time stamped upon arrival as long as the signature pages are included.
- BSSC staff review applications for eligibility, completeness and accuracy and verify the calculation of the score.
- Upon completion of staff's review, eligible applications are presented to the BSSC Board for approval. If approved, BSSC enters into an agreement with the company to set forth the maximum incentives available, training dates and the requirements. The term of the agreement will be no longer than one year from the date of BSSC approval. Training may begin after the approval date.
- Upon completion of training, all requests for reimbursements or tax credits will be submitted to the BSSC in the form of a worksheet along with any other required documentation. After staff reviews the documentation and finds it complete and satisfactory, notification will be sent to the approved company with the amount of reimbursement or tax credit.
 - GIA projects will receive either a check or electronic deposit.
 - STIC incentives awarded by the BSSC shall be claimed as a credit on the tax return of the approved company in the year of the closeout of the project. The credits awarded may be carried forward for three successive fiscal years of the approved company.
- All training documentation is required to be submitted within two (2) months of the training completion date and no later than two (2) months after the agreement term date. Staff may authorize a one-time extension not to exceed three (3) months for the project to finalize and submit the documentation (not to complete training).

For additional information about the programs, including the application deadline schedule, refer to the [Guidelines](#) or the [BSSC web page](#).

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