



# **FY26 Budget Hearing**

**Legislative Finance  
Committee – November 2024**

**Sarita Nair, Cabinet Secretary**



# UNEMPLOYMENT AND JOB GROWTH

## Unemployment Rate

NM: 4.3%

US: 4.1%

## Year-Over-Year Job Growth

Non-Agricultural Payroll: +11,500

Private Sector: +9,000

Health services: +3,700

Construction: +1,800

Manufacturing: +800

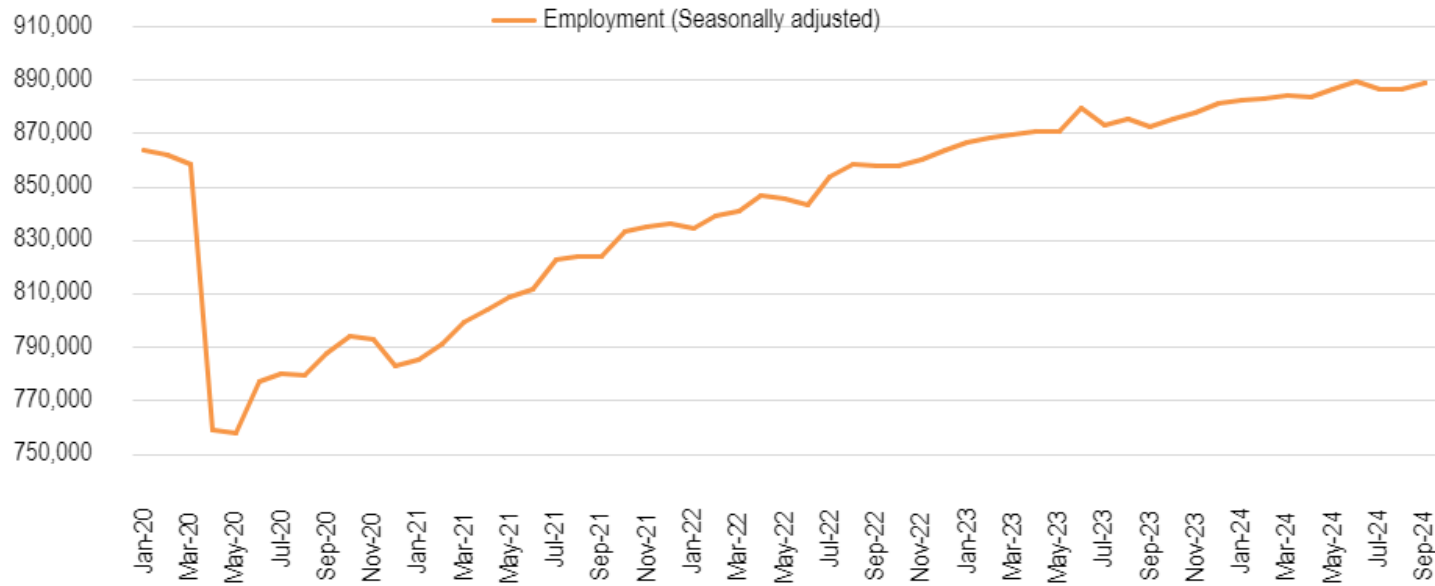
Leisure & Hospitality: +2,300

Retail Trade: -1,000

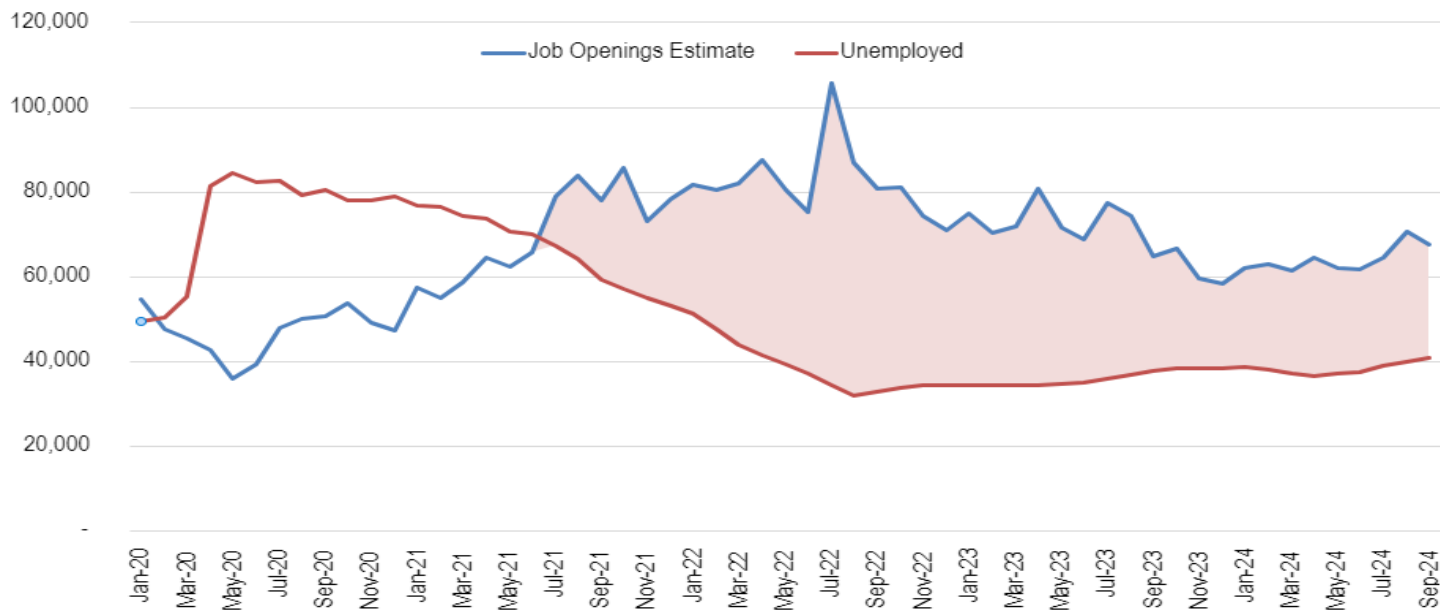
Public Sector: +2,500

Local Government - Education: +1,100

# ESTIMATED EMPLOYMENT GAP



September 2024  
Employment: 888,700

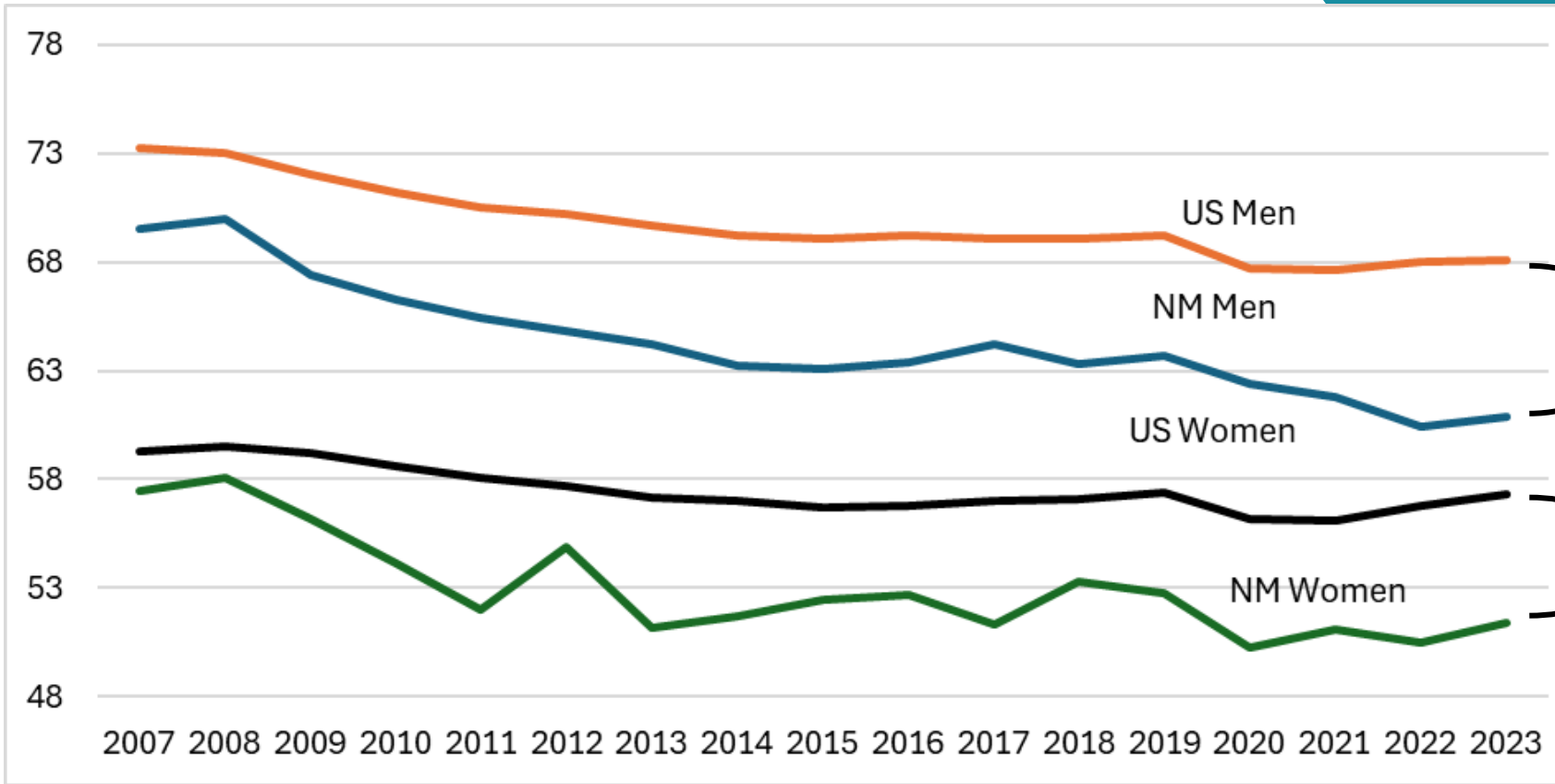


Sept 2024 Estimated  
Employment Gap:  
26,826

Sept 2024  
# Unemployed:  
40,902



As of 2023, if NM had the same LFPR as the U.S., the state would have over 110,250 more workers (116,000 IN 2022)



Difference of 59,500 men (62,000 in 2022)

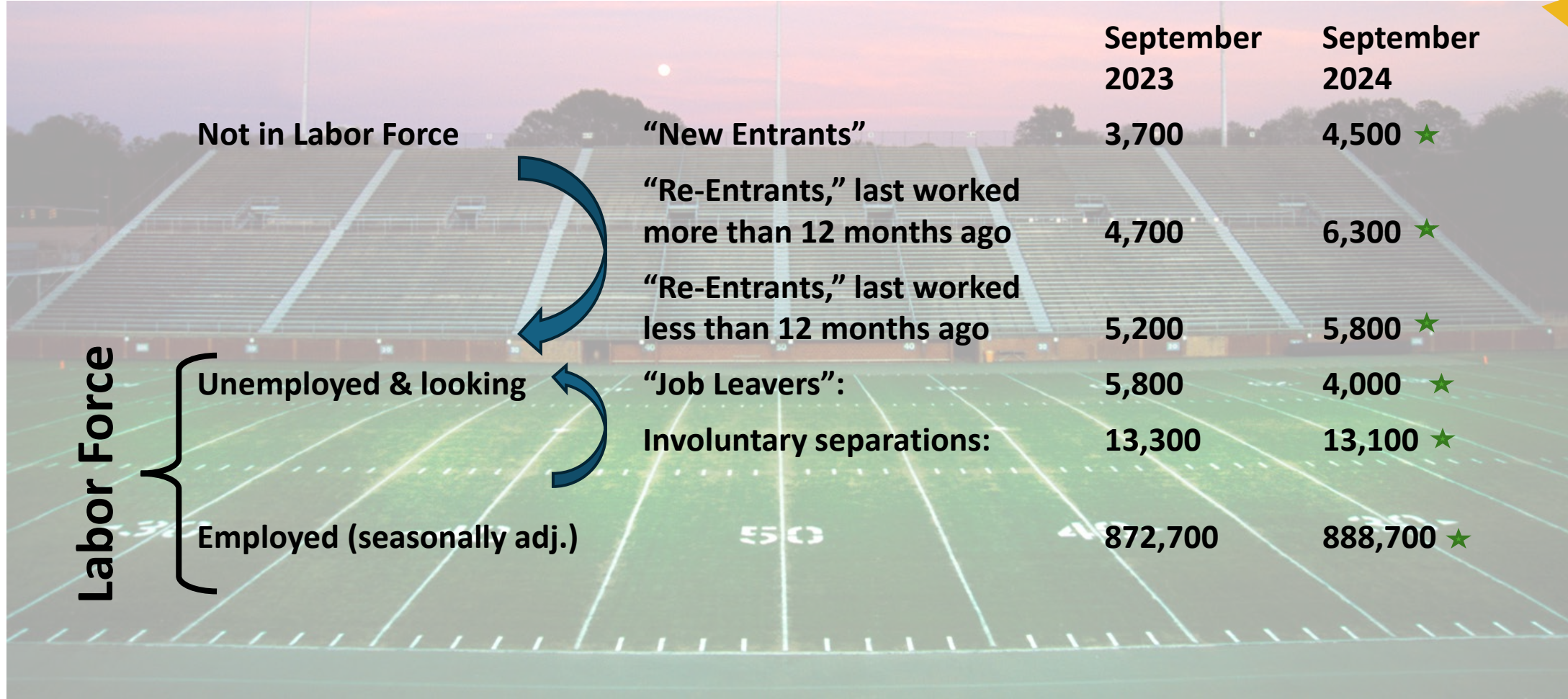
Difference of 50,750 women (54,000 in 2022)

# UNDERSTANDING LABOR FORCE PARTICIPATION



Source – Bureau of Labor Statistics – September 2024

# UNDERSTANDING LABOR FORCE PARTICIPATION



Source – CPS

# PERFORMANCE EVALUATION UPDATES

RESEA  
PY24Q1: 3,821  
participants  
PY23Q1: 2,875

TANF Career Link  
FY24: 94, 22 hires  
FY23: 38, 5 hires

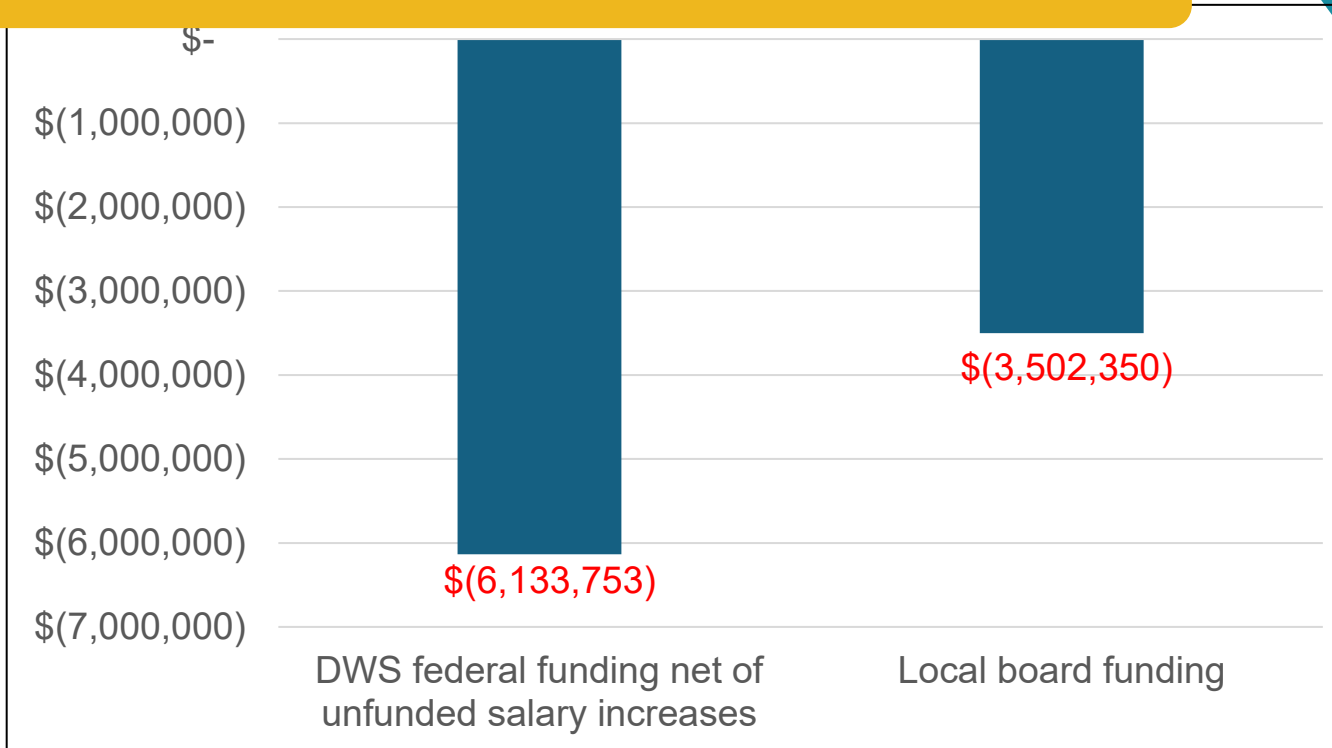
New Co-Locations  
in Socorro and  
T or C

Title III: 14%  
increase in  
participants YOY

America's **JobCenter**  
NEW MEXICO



### Federal Funding Changes FY23 to FY25



**Reversions:**  
 FY24 \$29,162 (0.7%)  
 (FY21: \$1,387,030)

### Competitive Funding

\$5.9M SAEF2 competitive,  
 \$1.5M PCIC, \$250K Office of  
 New Americans

### State Funding FY25 (Thank you!)

- \$600,000 GRO for pre-apprenticeship (100% program)
- \$2,000,000 GRO for Be Pro Be Proud
- \$5,000,000 from WTAF for apprenticeship (pass-through)
- \$1,800,000 for Labor Relations Division staffing



# FY26 BUDGET REQUESTS (ALL NR)

**\$50k**

Disaster  
Unemployment  
Assistance  
Payments  
(CC/HP)

**\$750k**

Labor Force  
Participation  
Rate Study

**\$750k**

Aligned Case  
Management  
development

**\$2M**

Continued  
funding of  
Local  
Journalism  
Fellowship

**\$500K**

Intensive  
Outreach for  
Out-of-School  
Youth

# UNDERSTANDING LABOR FORCE PARTICIPATION – U.S. DATA

## Survey of “Not in the Labor Market”

95% “Do not want a job now”

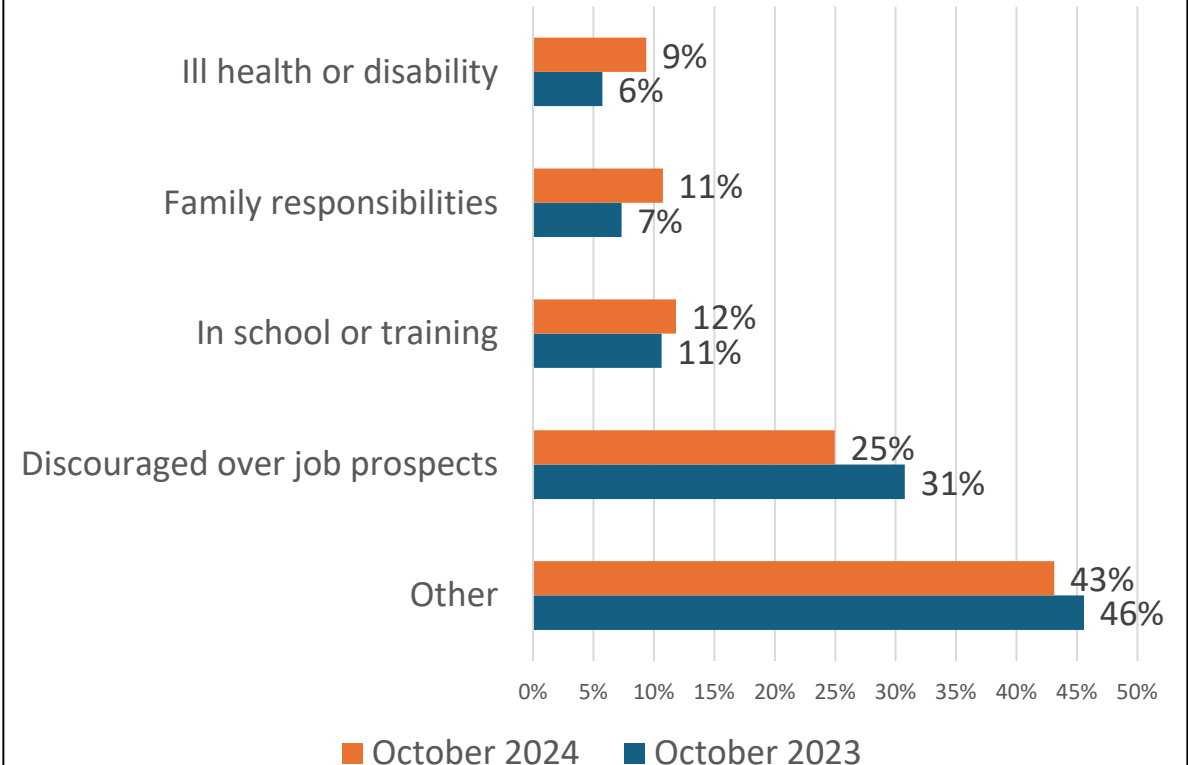
Of those who “want a job”

- 60% did not search for work in previous year
- 40% Searched for work in previous year, but not in the past 4 weeks

Of those who did not search in the past 4 weeks

- 30% not available to work now
- 70% “marginally attached”

## Survey of “Marginally Attached”



# LABOR FORCE PARTICIPATION STUDY

FY26 Request: \$750,000

<b>2023 NM</b>	
<b>Not in Labor Force (25-54)</b>	<b>169,600</b>
Do not want a job now	156,500
Want a job but have not looked	7,200

Independent Contactors?

Something we haven't thought of?

Self-Employed?

Barriers?

Don't need money?

Retired?

Source – CPS

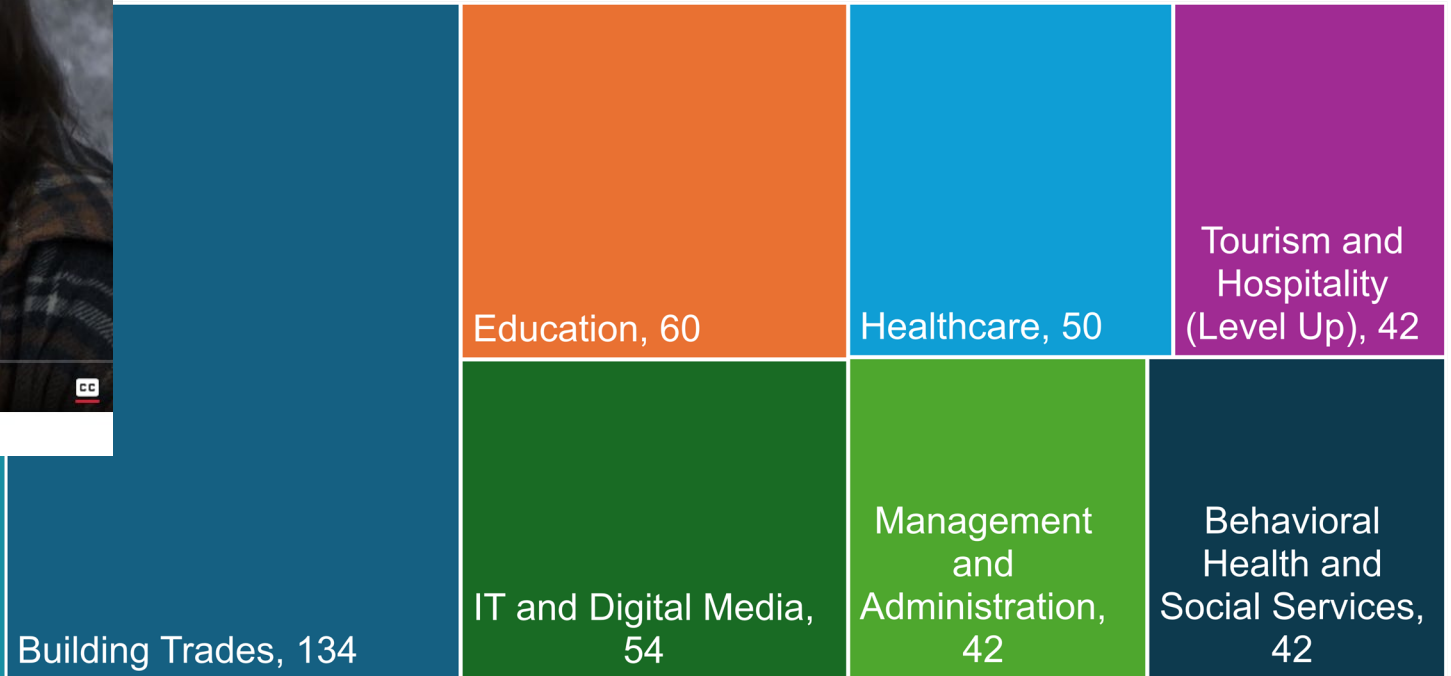
# PRE-APPRENTICESHIP



True Kids 1 Pre Apprenticeship Program with NMDWS

FY26 Request: Additional \$600,000 (\$1.2M total)

External Funding: \$5.9 over 3 years from USDOL





# ALIGNED CASE MANAGEMENT

FY26 Request: \$750,000

People & Processes

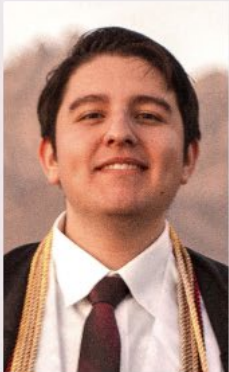
Technology

*WSD leadership should pursue a complete program and services inventory before or concurrently with the UPin and aligned case management system buildout.* While the “Next Steps” portion of the ACM plan calls for a statewide inventory of assessment and referral systems currently in place, WSD should also inventory all of the programs related to workforce development in the state, including those under its direct jurisdiction and those run through partner agencies. The work of the ACM Institute recognizes the importance of staff cross-training to expand knowledge of key features of partner programs. LFC staff fieldwork revealed that cross-training is already a standard practice in some larger urban connections centers, where employees are encouraged to acquire extensive knowledge of partner programs and to avoid identifying themselves to customers as “Title I” or “Wagner-Peyser.” A program inventory, ideally built in a way that is universally accessible to state employees, is critical to

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# LOCAL JOURNALISM FELLOWSHIP

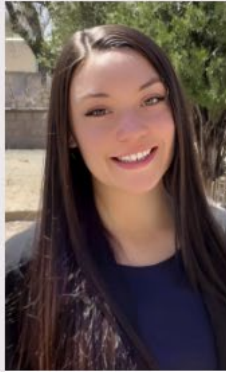
FY26 Request: \$2,000,000



**Ernesto Cisneros**,  
NMSU

Fellowship: Las  
Cruces Sun-News

Now: Santa Fe New  
Mexican



**Justine Collister**,  
UNM

Fellowship: KNME-  
TV

Now: KOB-TV



**Junko Featherston**,  
UNM

Fellowship: KRQE-TV

Now: KRQE-TV



**Jesse Jones**, UNM

Fellowship: Valencia  
County News-Bulletin

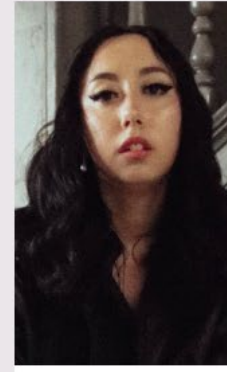
Now: Control +P  
Publishing



**Anya Loya Orduño**,  
UNM

Fellowship: Deming  
Headlight

Now: Freelance



**Cielo Rodriguez**,  
NMSU

Fellowship: New  
Mexico Magazine

Now: Santa Fe New  
Mexican



**Autumn Scott**, UNM

Fellowship: Eastern  
New Mexico News



**Sara Atencio-  
Gonzales**, UNM

Internship: The Paper

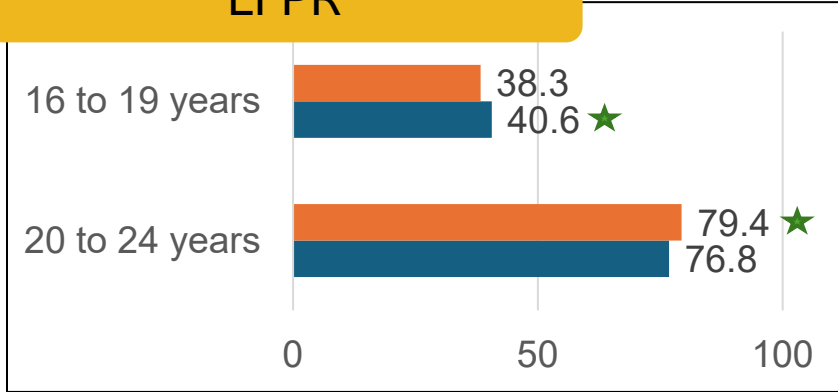


**Allison Carpenter**,  
UNM

Internship: Roswell  
Daily Record

# ICM FOR OUT-OF-SCHOOL YOUTH

## LFPR



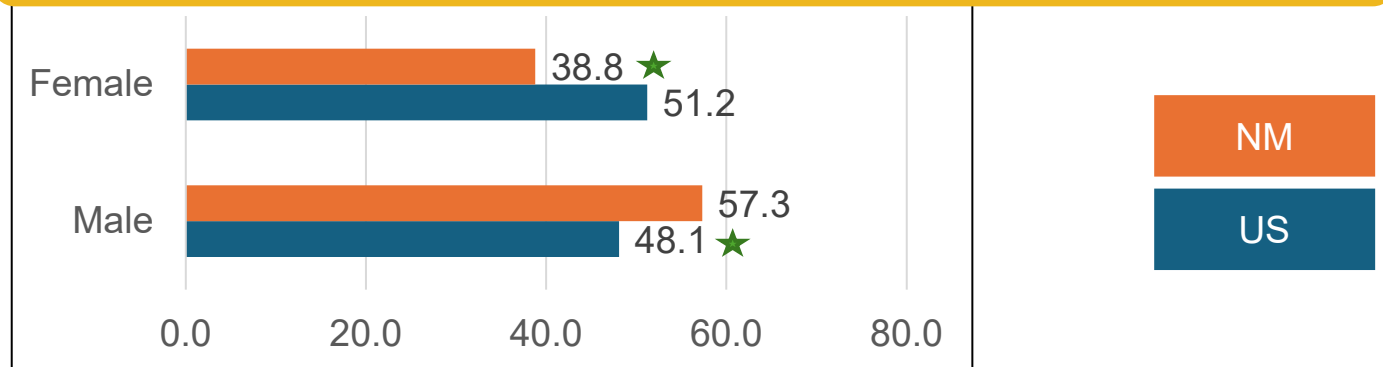
FY26 Request: \$750,000

Goal: Reach 400 youth who face significant challenges to graduate high school and secure the skills they need to get a job with intensive case management

## Unemployment Rate



## Percentage of those not in school who are not in labor force and not HS grads





**Thank you!**

**Questions?**

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