



Economic & Rural Development & Policy Committee Presentation

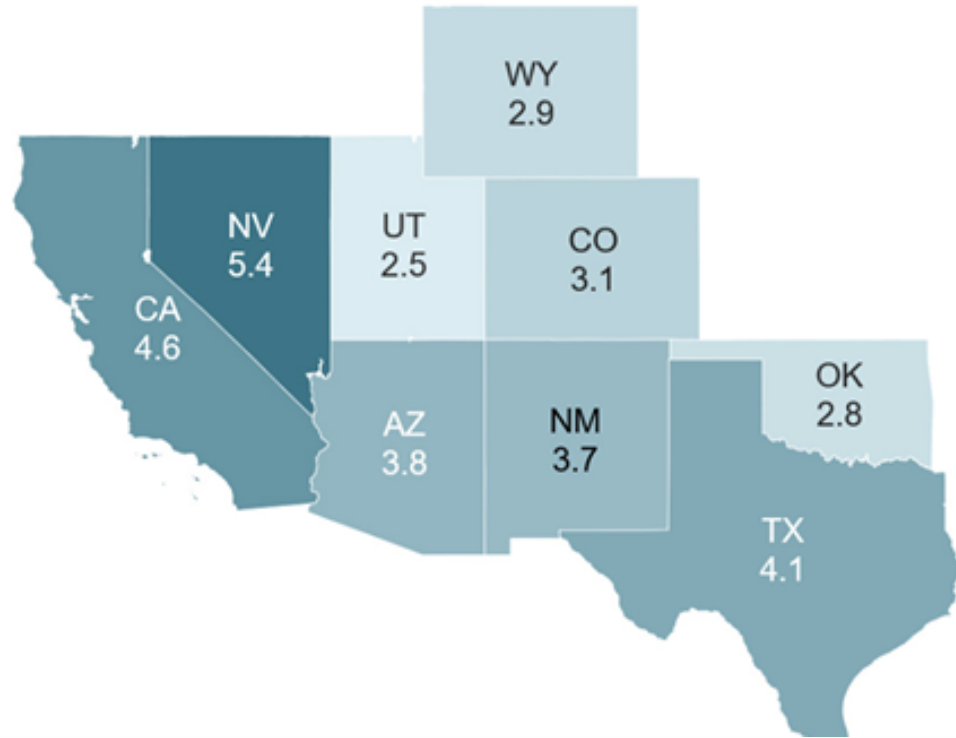
October 12, 2023

Sarita Nair
Cabinet Secretary
Sarita.Nair@dws.nm.gov

August 2023 Unemployment and Jobs

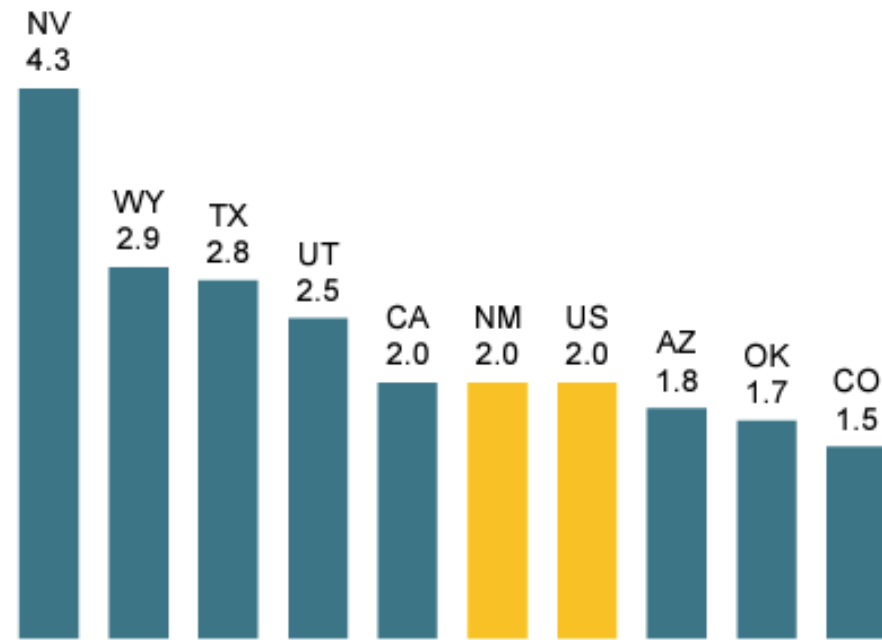
3.7%

Unemployment Rate



+16,600 jobs / 2.0%

Over-the-Year Change in Total Nonfarm Employment



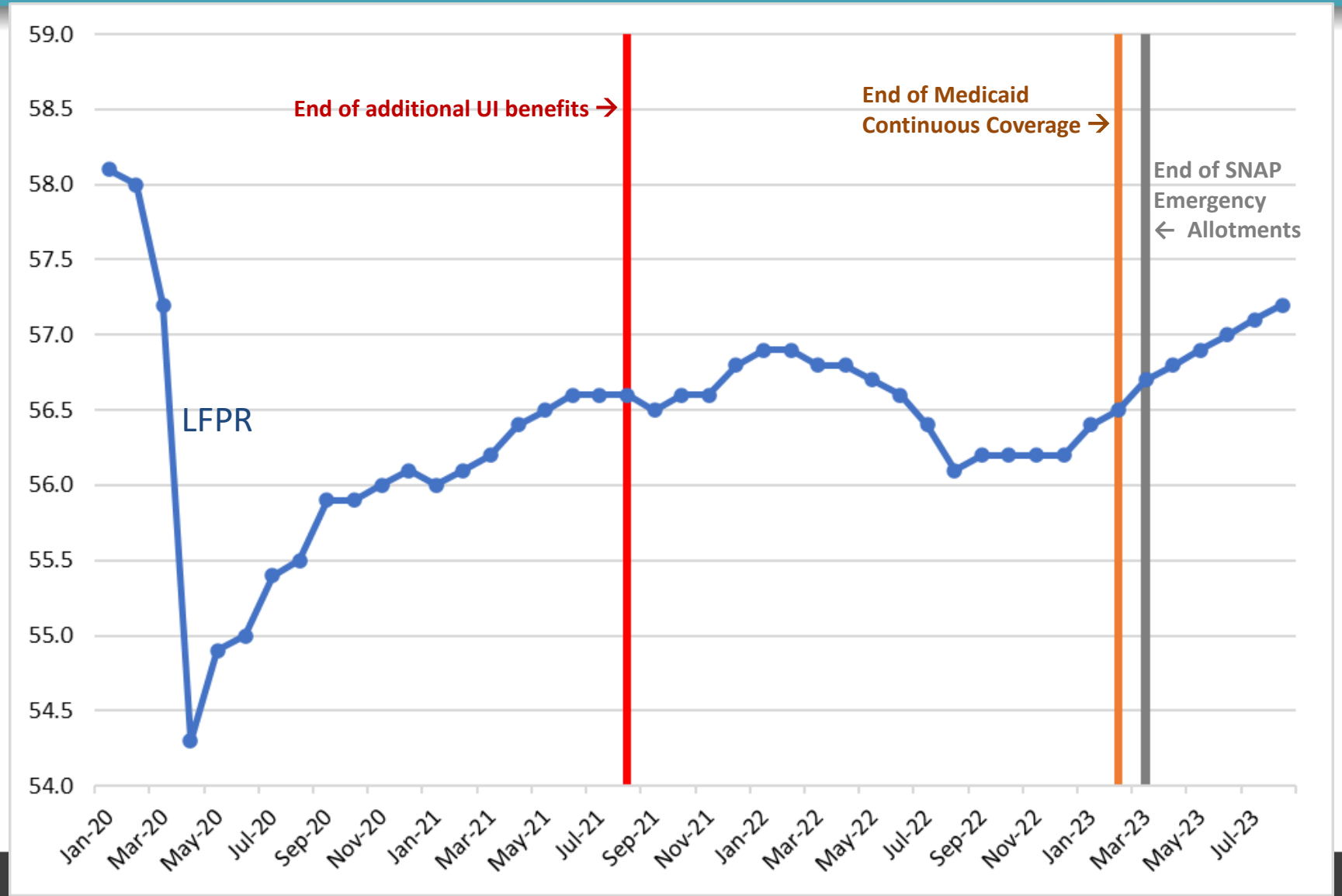
NM's Labor Force Participation Rate Since January 2020

Early September 2021: End of additional UI benefits

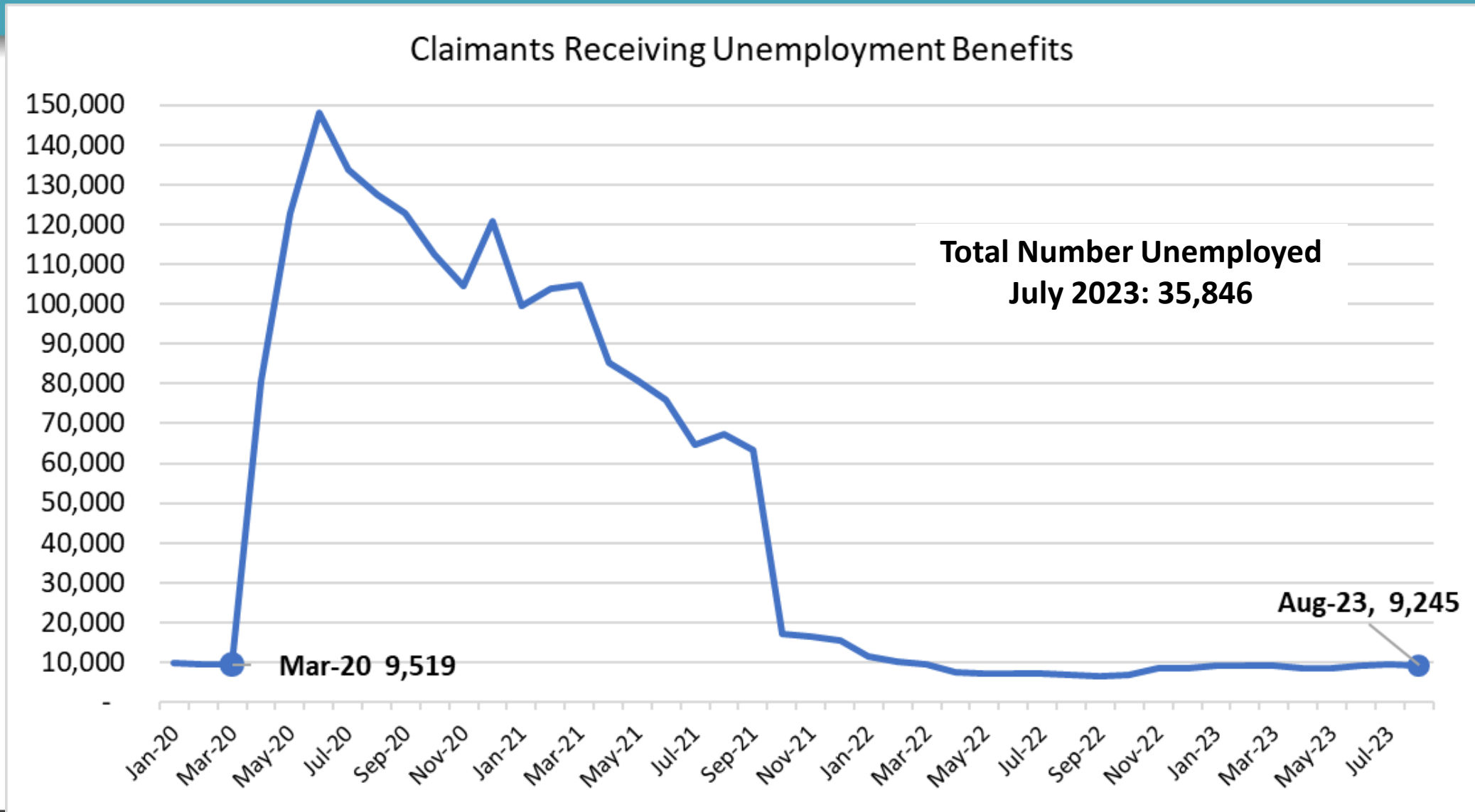
End of February 2023: End of Medicaid Continuous Coverage

End of March 2023: End of SNAP Emergency Allotments

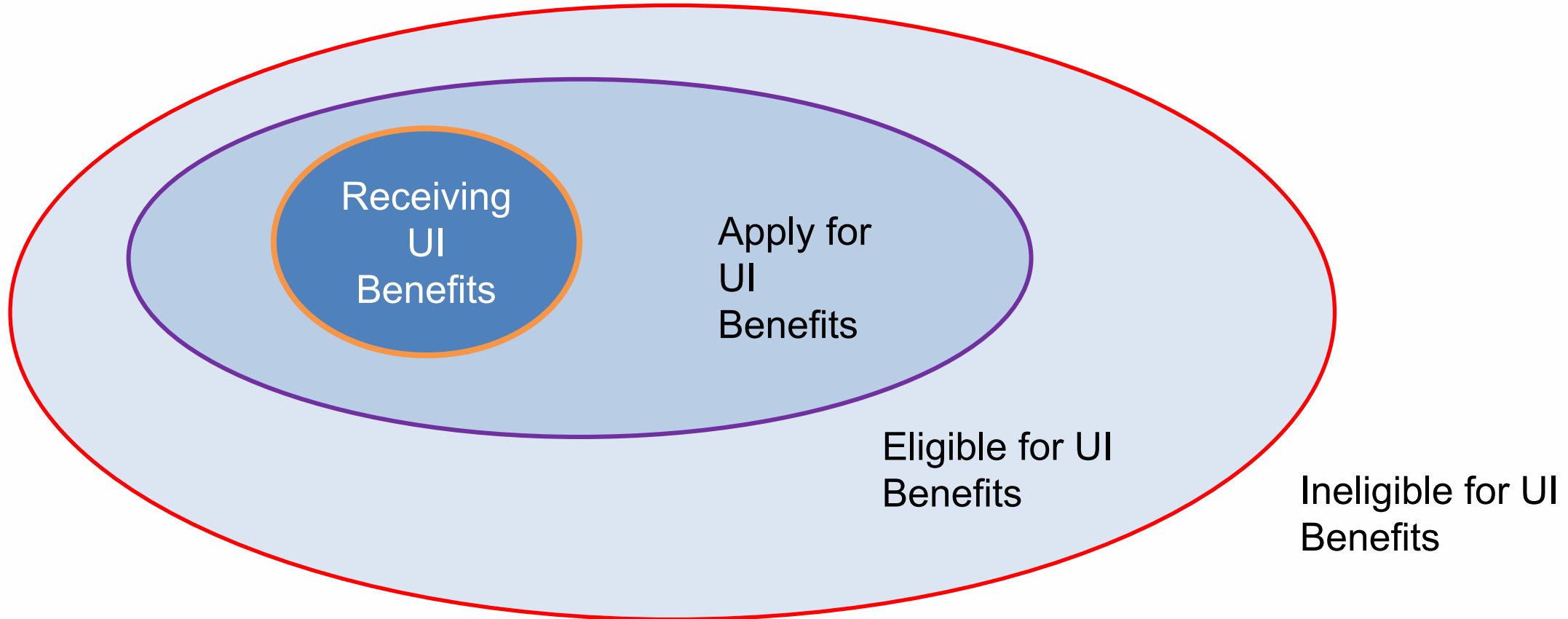
LFPFR is seasonally adjusted.
August 2023 data are preliminary. Source: BLS



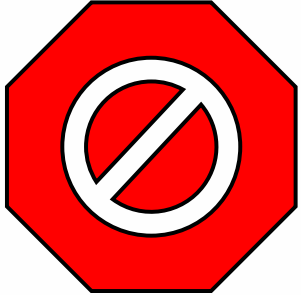
Unemployment Claims



Barriers to Unemployment Insurance



Barriers to Unemployment Insurance



Barriers to Eligibility

- Immigration status
- Self-employment
- Inadequate wages

Ideas and Initiatives

- Study on benefits to currently excluded individuals (CO)
- Portable benefits for self-employed (AL, CA, CT, GA, MA, NJ, NY, WA, VT)

Barriers to Unemployment Insurance



Barriers to Access

- Awareness
- Language
- Telecommunications
- Complexity
- Lock-outs

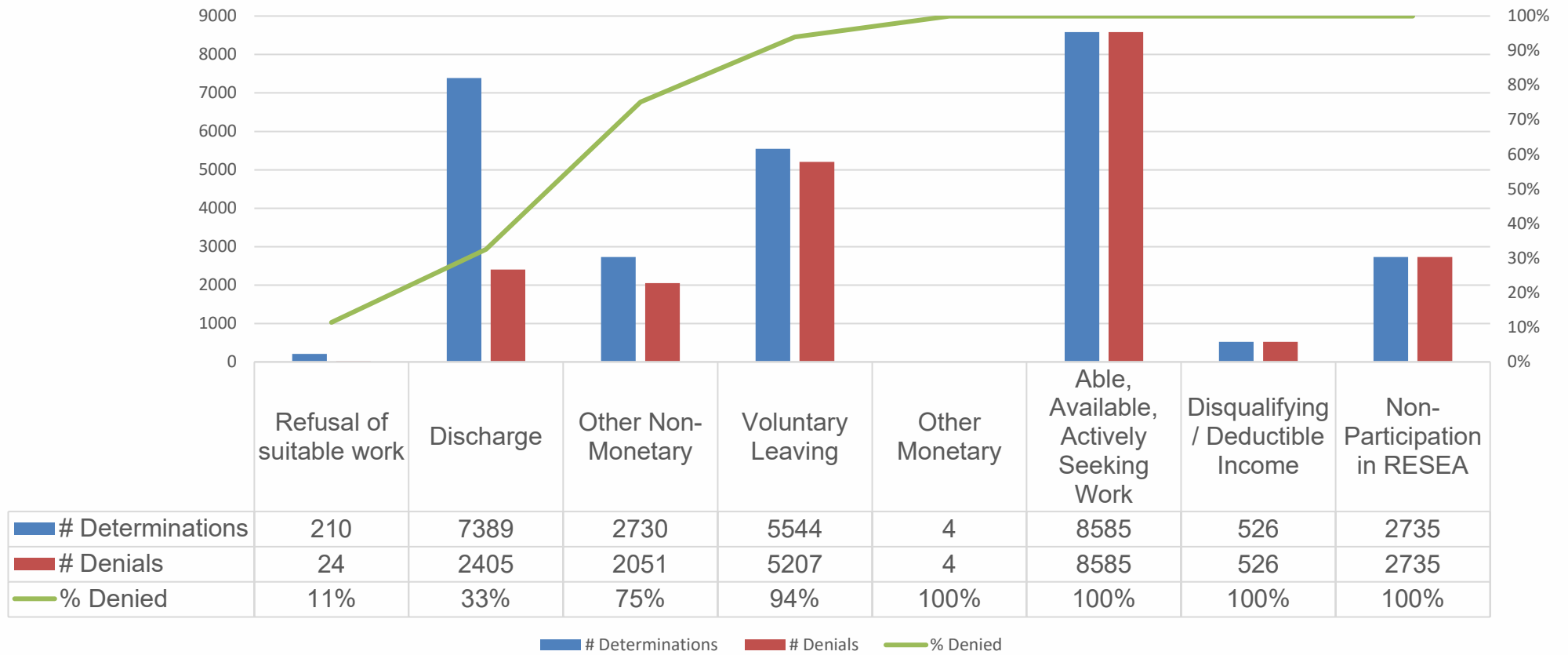
Ideas and Initiatives

- Equity Grant and Navigator Program
- Hiring more multilingual speakers for UI call center; expanded language access policy
- In-person presence at Workforce Connection Centers
- Anti-fraud initiatives

Barriers to Unemployment Insurance



Reasons for Denials 2022 - September 2023



DWS Fiscal Challenges



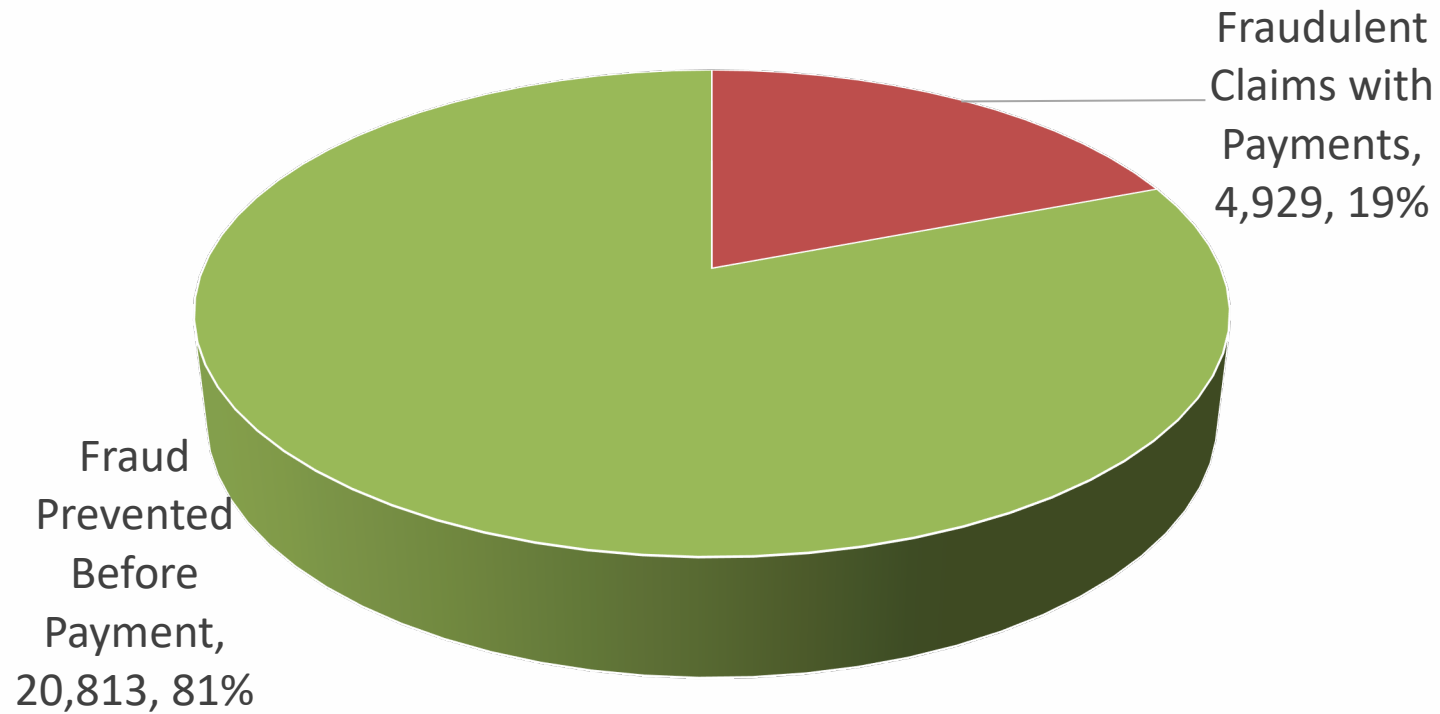
Solvency of the UI Fund

- 16 states meet recommended solvency levels
- 15 states/territories that have not bounced back since 2019 (AL, DC, FL, GA, HI, LA, MI, NC, NH, NM, NV, OK, PR, VA, VT)

13) Solvency Level - Using Average High Cost Multiple¹



Unemployment Insurance Fraud Issues



Recovery Initiatives
Bank claw-backs
Payment voids
Court-ordered restitution

Unemployment Insurance Fraud Issues



Fraud Initiatives

\$1.2 million USDOL grant for fraud detection & prevention

Enhanced ID verification and authentication

Pattern recognition

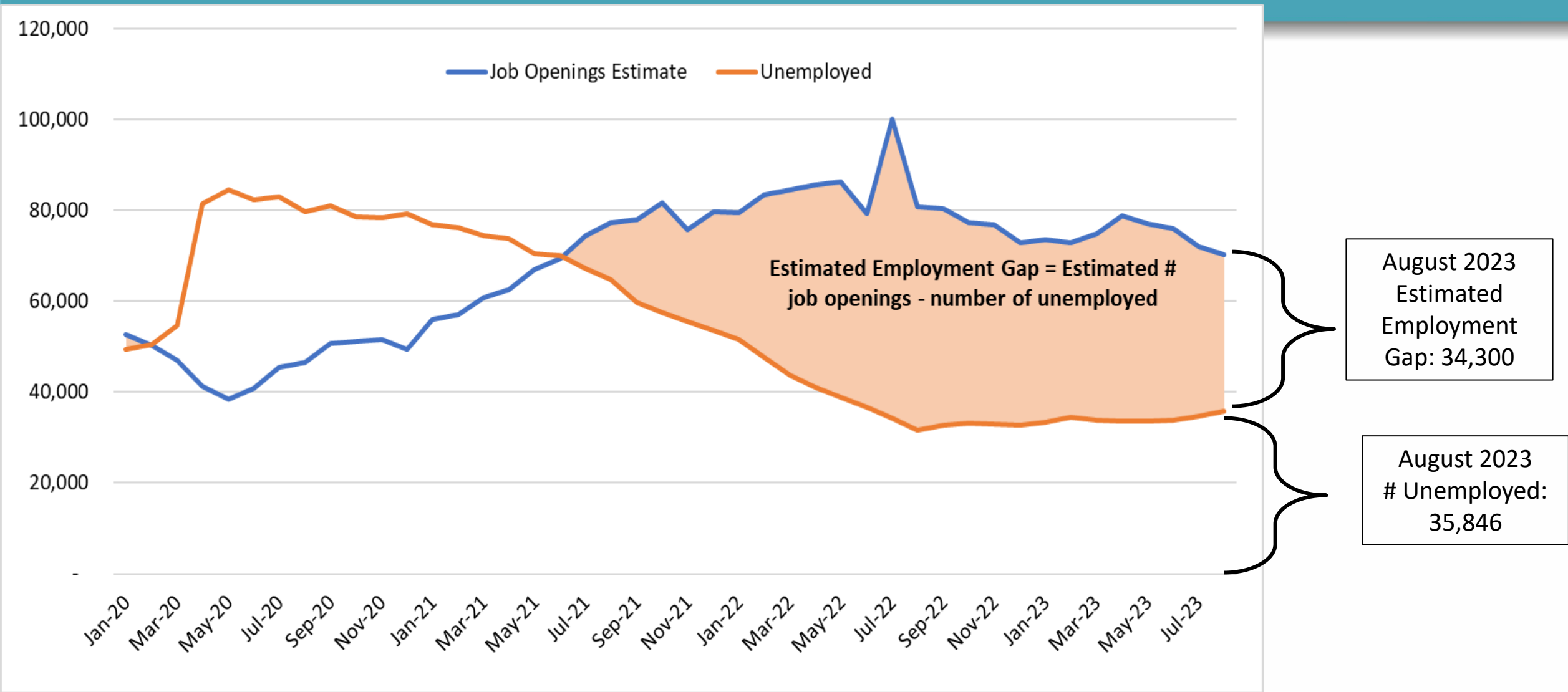
RESEA

Unemployment Insurance Fraud Issues

The newest scam: Fictitious Employers

Fictitious Employer Activity April 2023 – Present	
Fictitious Employer Detected	642
Claims Filed	1,436
Fraudulent Benefits Claimed	\$19,585,712
Fraudulent Benefits Paid	\$0

Estimated Employment Gap



Recruitment – We Can Help!

- Applicant database search for qualified candidates
- Customized applicant recruitment
 - Paid and unpaid marketing (Social Media, Radio, TV)
 - Outreach to local and regional Educational Institutions
 - Outreach to Community Organizations
 - Direct Marketing through Local Workforce Office statewide network
- Arranging customized Rapid Hires
- Applicant pre-screening and interview scheduling assistance
- Skill assessments verifying abilities (Work Keys)
- Determine eligibility for training funds
- TANF work programs – Career Link and Wage Subsidy

Retention Strategies for the Modern Workforce



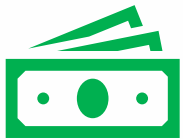
Growth



Purpose



Health



Money



Creativity



Learning



Accomplishment

Grow Your Own: Pre-Apprenticeship and Apprenticeship

Teach managers and supervisors how to work with a remote workforce

Strength-based employee performance evaluations

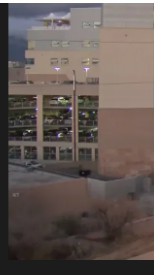
We can help design on-boarding strategies to establish these pieces from Day One

DWS Budgetary Requests



Audit reveals over \$350,000 owed to employees from UNM Hospital project

by: Audrey Claire Davis
Posted: Aug 29, 2023 / 03:03 PM MDT
Updated: Aug 30, 2023 / 07:24 AM MDT



SHARE    

ALBUQUERQUE, N.M. (KRQE) – The New Mexico Department of Workforce Solutions' Labor Relations Division was contacted to investigate a company that did not fully compensate its

- Continuing High School Career Counselors - \$1.28M
- Continuing Be Pro Be Proud and Pre-Apprenticeship - \$3.245M
- Labor Relations Division staffing - \$641,400
 - Public works case loads have gone from 70 to 92 per person
 - Wage and Hour saw a 73% increase in Q1 FY23 comp. to Q1 FY22
- IT – Legally required wage & hour database - \$100,000

DWS Fiscal Challenges and Improvements



- Reduced administrative overhead to below 25%
- \$6 million in federal funding for UI improvements
- Applying for infrastructure workforce grants
- Federal funding stays flat while salaries increase
- TAA not reauthorized