



Presentation to the
Revenue Stabilization
and Tax Policy
Committee

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Cabinet Secretary

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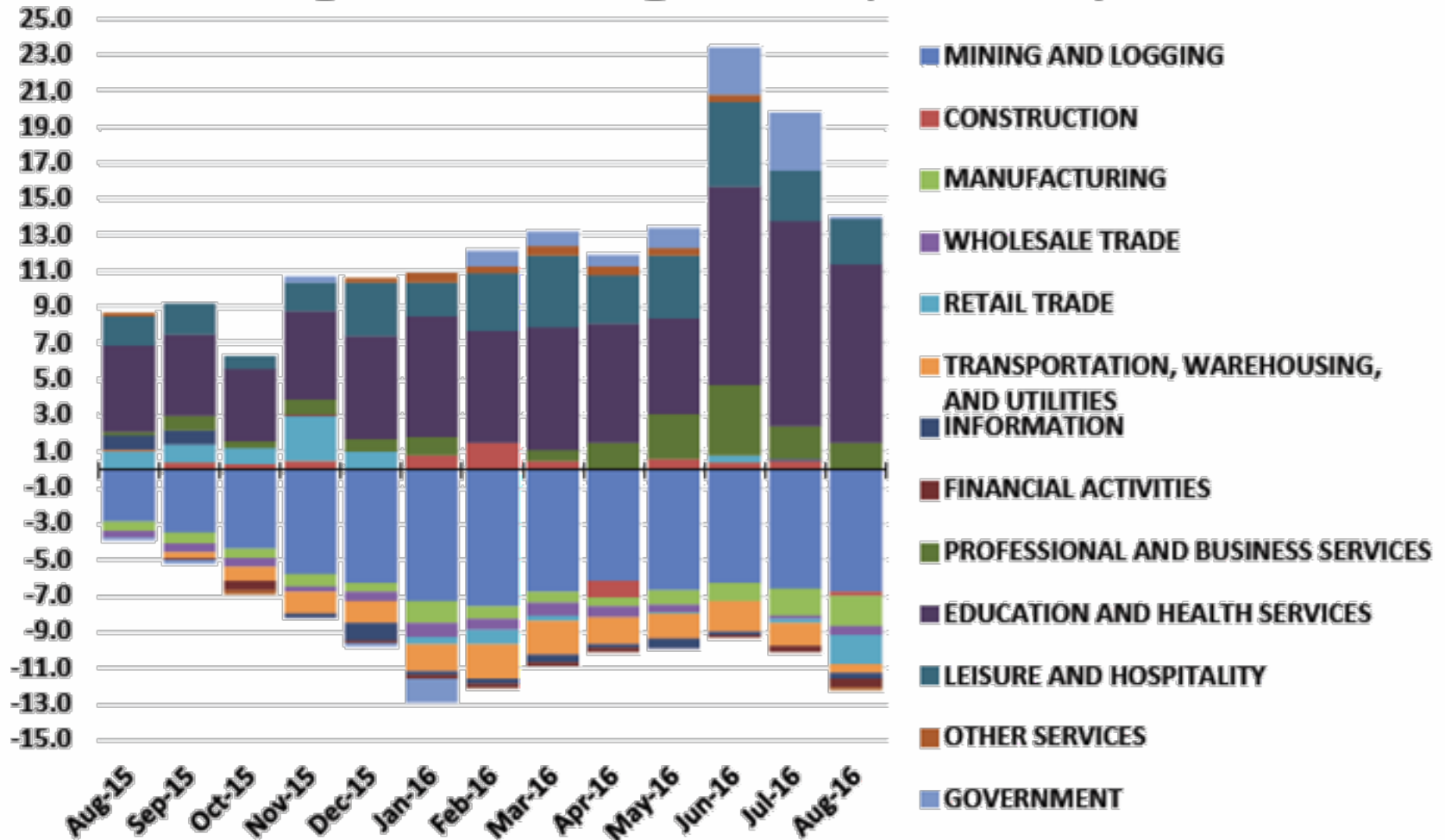
New Mexico Economy (August 2016)

At a Glance:

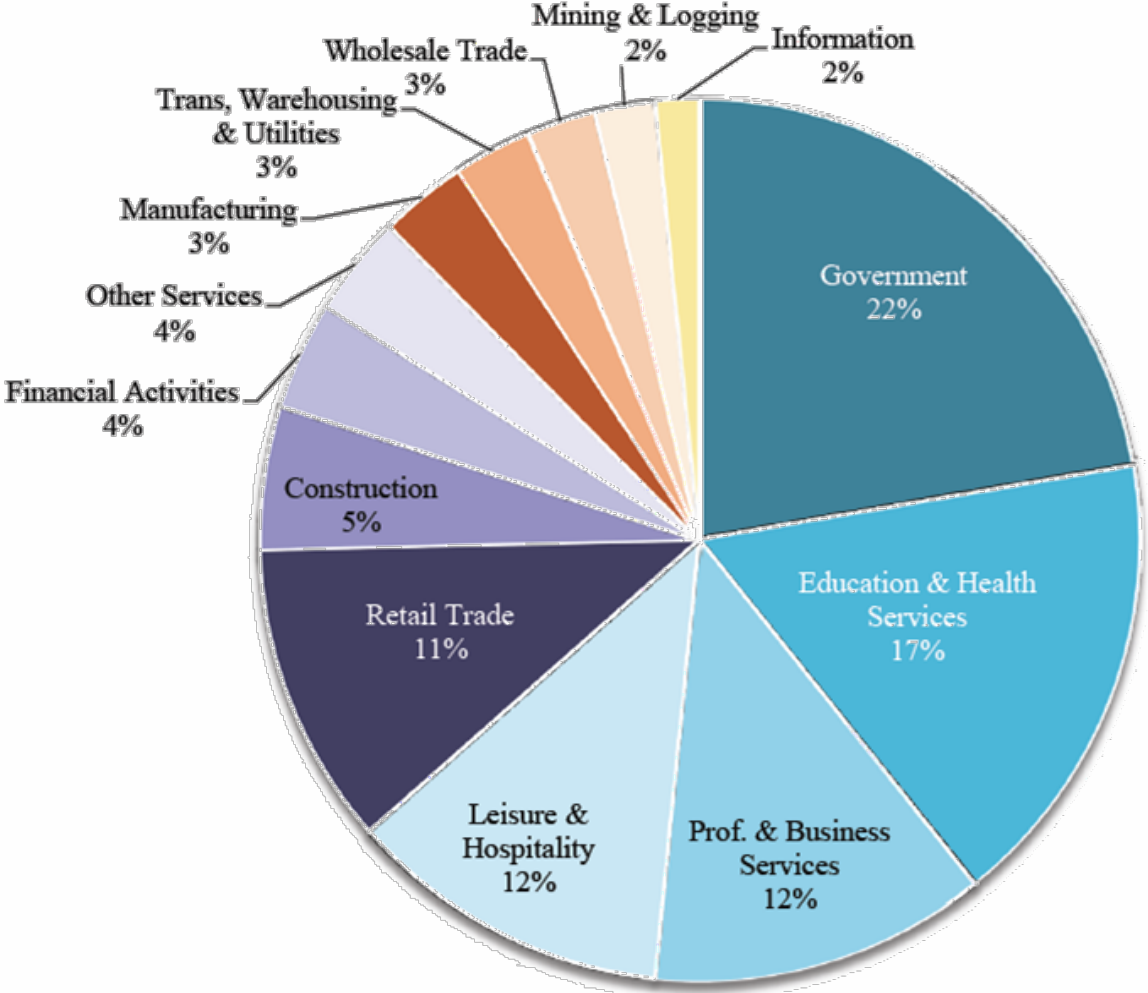
- Statewide unemployment rate for August 2016 was 6.6%.
- Over the year, New Mexico's total nonfarm job growth was 0.2 percent in August.
- Overall, the state added 1,800 jobs from August 2015.
- Employment in the private service-providing industries increased by 10,400 jobs, or 1.9%, while the goods-producing industries contracted by 8,700 jobs, or 9.0%.

NM Over-the-Year Gains/Losses by Industry

August 2015 to August 2016 (thousands)



New Mexico Economy by Industry Sector



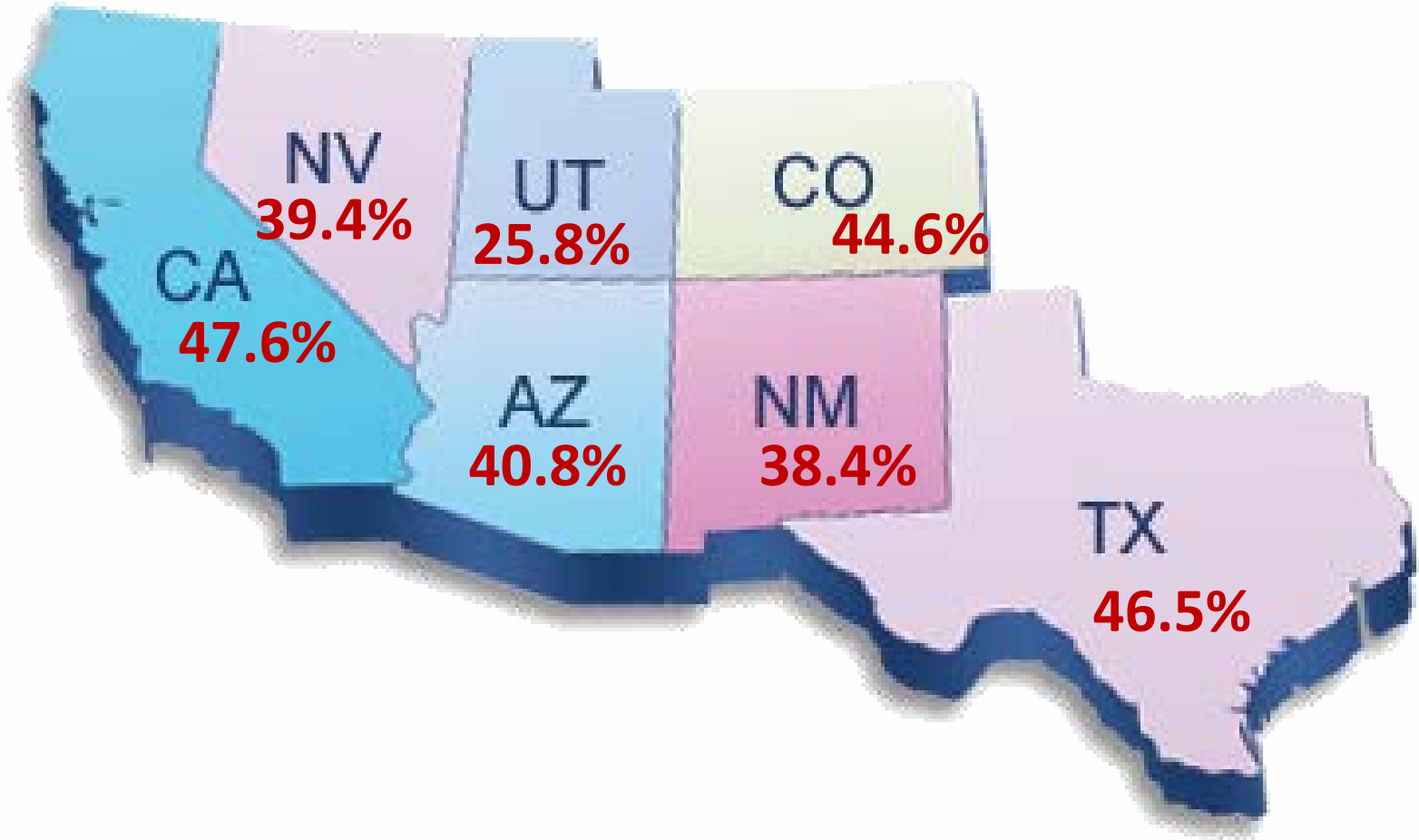
Unemployment Insurance

At a Glance:

- **Approximately 11,000** individuals currently certifying for benefits every week in New Mexico.
- **950** initial claims are filed every week for Unemployment Insurance.
- The rate of exhaustion of UI benefits (26 max weeks) in New Mexico is **38.4%**.
- The average duration of benefits in New Mexico is **17.3** weeks.
- Over the past 12 months, **\$188.5M** has been paid out in benefits.

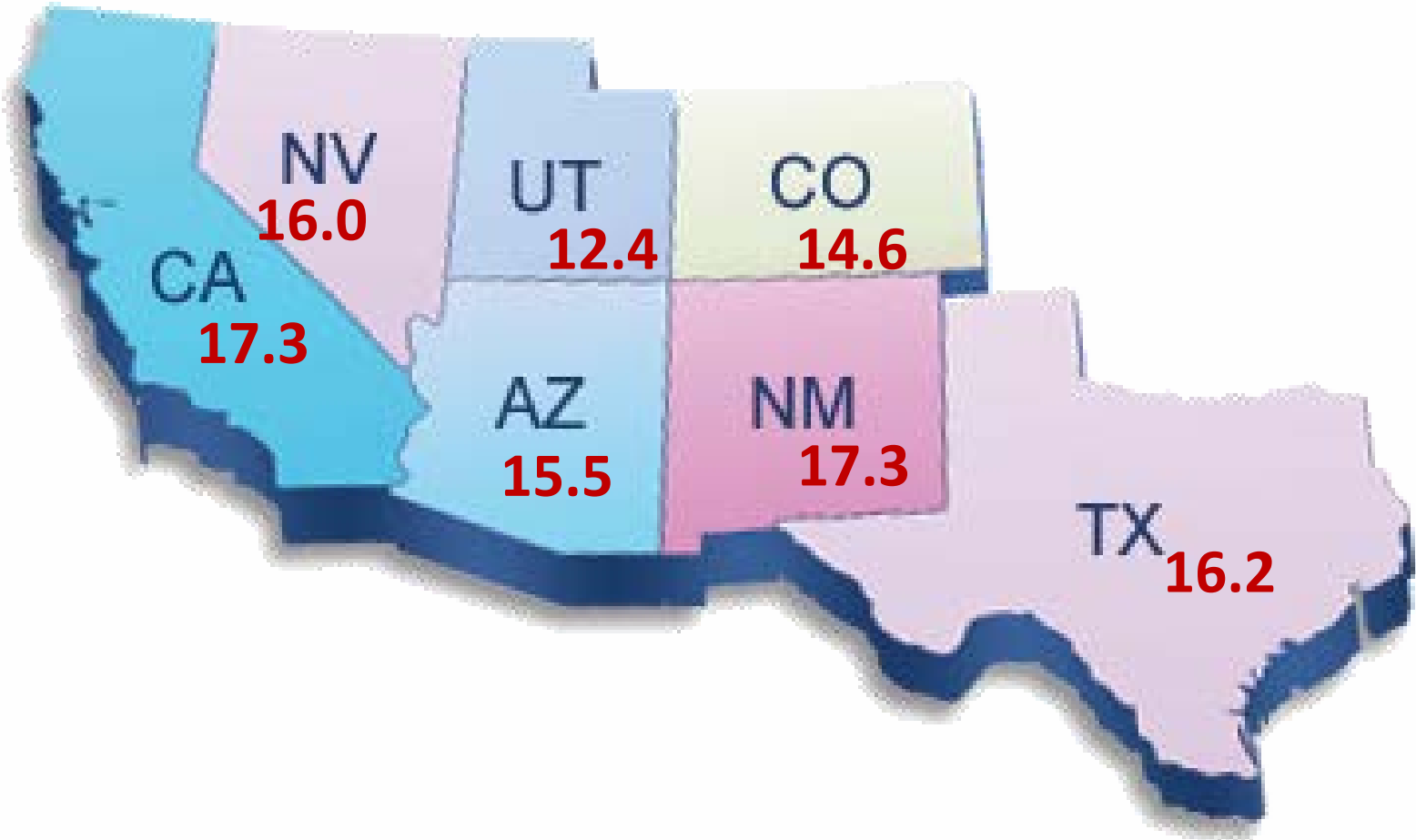
Unemployment Insurance-Regional Information

Exhaustion Rates (2Q 2016):



Unemployment Insurance-Regional Information

Average Duration in Weeks (2Q 2016):



Return to Work Strategies

Initiatives to Help Individuals Get Back to Work Faster

- Launch of the “Reemployment Strategies and Eligibility Assessments” (RESEA)
- 1:1 Case Management for Job Seekers in the New Mexico Workforce Connection Centers
- Work Search Planning Redesign

Unemployment Insurance

UI Trust Fund:

- The UI Trust Fund is 100% funded by employers' quarterly UI taxes.
- NMDWS has received the majority of contributions for 2016 (largest quarters are 1st and 2nd) and is in the process of receiving 3rd quarter contributions.
- The trust fund balance as of October 11, 2016 was **\$377,585,223.33.**

Unemployment Insurance (UI) Tax

2017 Reserve Factor:

- The UI calculation includes the “Reserve Factor,” which is set annually based on the solvency of the Unemployment Trust Fund.
- The “Reserve Factor” can be as low as 0.5 and as high as 4.0.
- For calendar years 2015 and 2016, the Reserve Factor was 4.0.
- The Reserve Factor for calendar year 2017 will be 2.5264

Contact Information

The New Mexico Department of Workforce Solutions

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Twitter (twitter.com/NMDWS)

NMDWS official YouTube channel
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