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FISCAL IMPACT REPORT

SPONSOR McCamley ORIGINAL DATE 02/13/13
LAST UPDATED _____ HM 45
SHORT TITLE Align Education with Available Employment SB _____
ANALYST Leger

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$0-10.0	\$0-10.0	\$0-20.0		General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 254 appropriates funding to support the Arrowhead center for business development.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Economic Development Department (EDD)

Public Education Department (PED)

NM Department of Workforce Solutions (DWS)

SUMMARY

Synopsis of Bill

House Memorial 45 requests the Economic Development Department, the Workforce Solutions Department, the Public Education Department, the Bureau of Business and Economic Research at the University of New Mexico (BBER), and the Arrowhead Center at New Mexico State University (NMSU) to coordinate efforts to align the education and training provided to New Mexico students to the types of employment available in the state.

FISCAL IMPLICATIONS

In 2006, the Workforce Coordinating Council was created with an identical mission. The Council met regularly which involved significant time to administer and organize, as well as the time of the participants. The time and work spent over the course of nearly a year ultimately ended for lack of funds.

PERFORMANCE IMPLICATIONS

Governor Martinez has created the “Employability Task Force” by Executive Order which has similar goals as the 2006 Council. In June of 2012, Governor Martinez issued Executive Order 2012-022, *Creating the Employability Partnership of New Mexico*. The partnership was made up of WSD, the EDD, the Higher Education Department and the PED, and the Human Services Department along with members from the business community. The Executive Order, announced that workforce related programs and education programs, which currently reside in five different government agencies, should be coordinated to maximize resources to create efficiency. In particular, the education and workforce systems should work together to produce a workforce consisting of people who have the required skills and work ethic to succeed.

EDD coordinates its programs with the WSD and post-secondary institutions to accommodate new and growing businesses. This has resulted in successes that continue to serve growing sectors, such as aviation technician programs at CNM and ENMU-Roswell.

WSD produces resources both in print and on its web site to help job seekers. The monthly *Labor Market Review* (publication) provides a list of the most in-demand occupations and the industry sectors producing the most new jobs. WSD annually produces the “State of the New Mexico Workforce” that includes comprehensive data on the current and projected workforce, with occupational projections to 2018. The LASER database, a robust resource of data on businesses by sector, industry profiles, workforce turnover and more, provides projections to 2020.

WSD is committed to improving the jobs outlook in the state and strives to align resources and services with business needs to impact the employability of individuals in a positive manner. WSD pursues all opportunities to more effectively coordinate with other departments, educational entities and organizations and views these relationships as valuable and necessary for the successful administration of WSD programs and services.

WSD further reports, every department and entity outlined in House Memorial 45 has regulations that direct the administration of their respective training programs and accompany their funding. Such rules and agency practices must be considered and navigated to effectively coordinate efforts. Coordination and alignment across agencies and entities takes time and a commitment from all with a common mission.

ADMINISTRATIVE IMPLICATIONS

According to EDD, the 2006 Council ultimately completed a workbook, brochures and posters identifying several “career clusters” representing industry sectors the EDD was targeting for growth and sectors already growing within the state. A web site was also developed “www.workingnewmexico.com,” with the purpose of assisting students to obtain degrees aligned with growing business sectors and the occupations associated with those sectors. After completing the workbook and web site the group sought an appropriation to maintain and update the materials from the Legislature, but received no funding.

PED states, HM45 leverages lever number three of the strategic plan: *Ready for Success Initiative* as it better prepares students for college and career readiness by aligning education, training, and employment opportunities.

RELATIONSHIP

Relates to SB 254 which appropriates funding to support the Arrowhead center for business development.

TECHNICAL ISSUES

PED reports, the Higher Education Department (HED) is not listed as a participating entity. Many CTE programs in the secondary schools align to higher education system for dual credit opportunities postsecondary certifications and industry credentials.

The Memorial does not specify a deadline or format for the task requested.

JLL/blm