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FISCAL IMPACT REPORT

SPONSOR Campos ORIGINAL DATE 2/6/2020
LAST UPDATED _____ HB _____
SHORT TITLE Job Readiness Program SB 247
ANALYST Bachechi

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
	\$575.0	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB165 (Adult Workforce Diploma Program) and SB178 and HB218 (At-Risk Youth Training and Case Management).

Relates to Appropriations in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Workforce Solutions Department (WSD)

Children, Youth, and Families Department (CYFD)

SUMMARY

Synopsis of Bill

House Bill 247, "Job Readiness Program," appropriates \$575 thousand from the general fund to the Workforce Solutions Department (WSD) for expenditure in fiscal year 2021 to support job readiness programs for youth and adults.

FISCAL IMPLICATIONS

The bill appropriates \$575 thousand from the general fund to WSD for expenditure in FY21, with remaining balance reverting.

The FY20 general operating budget and the General Appropriation Act of 2020, include funds for job readiness programs for youth and adults in FY21.

SIGNIFICANT ISSUES

The Workforce Solutions Department (WSD) is the primary agency responsible for administering the Workforce Innovation and Opportunity Act (WIOA) and for improving the state's workforce systems to help New Mexican's with significant barriers to employment, including youth both in and out of school and adults. DWS receives approximately \$25 million from the US Department of Labor (USDOL) that is distributed to four local workforce development boards to fund subsidized training activities for adults, dislocated workers and youth as part of the Workforce Innovation and Opportunity Act (WIOA).

The WSD currently receives approximately \$6.1 million in funds from the U.S. Department of Labor specifically earmarked for WIOA youth activities. Eligible youth participants receive subsidies for career exploration and readiness, mentorship, job placement and follow up services. Additionally, approximately \$15 million is also available for adult training programs. These funds are used to subsidize training programs identified through individual training accounts, on-the-job training plans, and customized training programs in partnership with local businesses.

PERFORMANCE IMPLICATIONS

All efforts to improve strategic, integrated and comprehensive approaches that improve opportunities for job seekers to achieve economic success will positively impact the performance outcomes of the programs administered by the Workforce Solutions Department. The proposed bill aligns with specific performance requirements and goals outlined in WIOA, and supports statewide efforts to coordinate and align workforce development activities across state agencies. Additionally, the Workforce Solutions Department maintains the necessary case management system needed to track participants and their performance.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to SB 165 (Adult Workforce Diploma Program) and SB 178 and HB 218 (At-Risk Youth Training and Case Management).

Relates to Appropriations in the General Appropriation Act of 2020.

TECHNICAL ISSUES

The bill is silent regarding eligibility requirements for participation in the programs.

CLB/al/rl