AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

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SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

	Date Prepared	1/29/25	Check al	l that apply:
	Bill Number:	HB0015	Original	$x_{\rm Correction}$
			Amendm	ent Substitute
		Agency Name and Code Dept. of Workf	Dept. of Workforce Solutions-631	
Sponsor:	Mariana Anaya		Number:	

Person Writing

Analysis: Short Health Care Strategic Title: **Recruitment Program**

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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropr	iation	Recurring	Fund Affected	
FY26	FY27	or Nonrecurring		
2,000.0	0	NR	General Fund	

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

	Recurring	Fund		
FY26	FY27	FY28	or Nonrecurring	Affected
0	0	0		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	None above appropriation					

Duplicates/Conflicts with/Companion to/Relates to: Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

<u>Synopsis:</u> HB 15 creates the Healthcare Strategic Recruitment Program (the "Program") in DWS to recruit graduates of programs in the allied healthcare professions who received education in New Mexico but are not working in the healthcare field in New Mexico. Program strategies would include outreach, navigation of licensing and credentials, sharing information about incentives, compiling alumni recruitment information, and compiling and sharing job opening information. DWS will provide annual reports to the Governor and legislature on the success of the program.

FISCAL IMPLICATIONS

The program will require staffing support from new or existing positions within the employment services and program support divisions, including the Bureau of Economic Research and Analysis. Other costs may include advertising and outreach costs. The proposed appropriation will cover the costs of establishing and launching the program.

SIGNIFICANT ISSUES

The Program is well aligned with Goal 4 of the Workforce Innovation and Opportunity Act (WIOA) Statewide Plan for 2024-2027, which is to "attract out-of-state workers to New Mexico and improve retention of New Mexicons within the State, particularly in rural communities." Between 2010 and 2022, New Mexico had a net negative migration to the tune of -30,085 individuals. Since 2010, nearly 20,000 more workers left New Mexico than arrived. Within the state, we see a similar dynamic as the rural areas lose population to the urban centers. Not only did the state lose these individuals, but as they aged and raised families in other states, New Mexico lost a new generation of workers. Attracting out-of-state talent and "boomerangs" has been a goal of economic development strategies from time to time over the past two decades. Targeted recruitment has also been a strategy for various industries like tech and police officers. However, this has never before been a goal that we shared in the workforce system. With new initiatives to draw people to our state, from tuition-free college to outdoor recreation, workforce stakeholders felt it was time for the workforce system to join forces to this end. Specifically, the Program fits squarely within multiple strategies of Goal 4 in the WIOA State Plan, including targeting boomerangs and advertising for New Mexico jobs outside of the state.

The Program also fits within one of the high priority sectors of the WIOA State Plan, healthcare including behavioral health, and DWS participates in the New Mexico Health Care Workforce Committee. The need to prioritize this sector are well documented and include the following:

- Estimates forecast a national primary care physician shortage of more than 37,500 by 2034 and the need for more than 3 million new registered nurses between 2016 and 2030.
- In New Mexico, there is an average of 5.04 primary care physicians per 10,000 population, meaning for each primary care physician, there are about 2,000 people to serve.
- According to the national 2021 Public Health Workforce Interest and Needs Survey, 16%

of employees leaving the workforce departed due to COVID.

- 12% of the State's current nursing workforce is comprised of traveler nurses whose perhour costs have more than doubled when compared to pre-COVID wages.
- Employment in the health care practitioners and technical occupational group in New Mexico are projected to add about 5,590 jobs (10.9% increase) from 2018 to 2028.
- About 1,240 total job openings for registered nurses will exist every year in New Mexico. More than 80% of those openings will be to replace workers who retired or left the occupation.

Alignment with the WIOA State Plan means that all WIOA titles, including the local workforce development boards, Adult Education, the Division of Vocational Rehabilitation, and the Senior employment programs have committed to furthering these goals and promoting the priority sectors. Unfortunately, although the US Department of Labor mandates sector planning, DWS receives no federal funding to engage in or execute sector plans.

The Program will fund and enable rapid progress in this area. The data gathering and analysis requirements in the bill will provide a useful base for all health care initiatives. The Program is also designed with a strong understanding of the existing workforce system, and will allow DWS to incorporate career consultants, veterans' employment representatives, and other professionals in the workforce system to accomplish its goals.

PERFORMANCE IMPLICATIONS

DWS will be able to improve its performance with respect to out-of-state recruitment for the health care professions. In addition, as explained above, this will provide much needed funding to gather and analyze data that will serve the healthcare sector as a whole.

ADMINISTRATIVE IMPLICATIONS

DWS expects to engage new staff to implement the Program, in addition to creating resources and initiatives that utilize existing staff in the employment services division. The proposed funding level is adequate for these efforts.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB 172, the Immigrant Healthcare Workforce Development Act, is related to this bill, in that it will enable DWS to undertake similar efforts with respect to internationally educated and trained health professionals who are underemployed. If both bills pass, DWS will be able to maximize the use of efforts like the gathering of information on health care incentives, training programs, credentialing, and job openings.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

DWS will not have the resources to immediately engage in health care sector planning.

AMENDMENTS

None.