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FISCAL IMPACT REPORT

ORIGINAL DATE 01/29/09
LAST UPDATED 03/06/09 **HB** _____

SPONSOR Keller

SHORT TITLE Future Work Force Needs **SJM** 13/aSRC

ANALYST Peery-Galon

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Workforce Solutions Department (WSD)
 Economic Development Department (EDD)

No Responses Received From

Public Education Department
 Higher Education Department

SUMMARY

Synopsis of SRC Amendment

The Senate Rules Committee amendment to Senate Joint Memorial 13 add the Public Education Department, Higher Education Department and the Children, Youth and Families Department to Economic Development Department as state agencies Workforce Solutions Department is to collaborate with to identify, project and track the future work force needs of New Mexico businesses and government.

Synopsis of Original Bill

Senate Joint Memorial 13 requests the Workforce Solutions Department be requested to collaborate with the Economic Development Department to identify, project and track the future work force needs of New Mexico businesses and government. Also, the Workforce Solutions Department is requested to specifically track the number and type of jobs projected to be needed in New Mexico, and that the projections encompass a period of not less than five years into the future.

SIGNIFICANT ISSUES

WSD reported that it's Economic Research and Analysis Bureau currently produces industry and occupation projections, which are designed to meet the needs of students, counselors, job seekers, employers, and public and private planning groups seeking information about industrial patterns and career opportunities in New Mexico. The projections are based on methodologies developed the federal U.S. Department of Labor for forecasting state and area occupational needs using both national information and procedures specifically adapted to each state's industrial and occupational patterns. The current long-term and short-term projections cover New Mexico, the four metropolitan statistical areas (Albuquerque, Farmington, Las Cruces and Santa Fe) and four Workforce Investment areas (Central, Northern, Eastern and Southwestern).

In 2006, a study was commissioned by the Governor's Workforce Coordination and Public Works, LLC which included: public education, higher education, workforce training, economic development, department of labor and human services. The goal of this commission was to identify seven career clusters to guide New Mexican's towards a career pathway. Economic Development Department reported using the career clusters to target specific industries in order to create jobs in the following industries: art and entertainment, business services, communications and information, energy and environmental technologies, engineering, construction and manufacturing, health and biosciences, and hospitality and tourism. EDD noted the Job Training Incentive Program was then broadened to provide skill enhancement to employees of the film and multi-media industry due in part to the study. Over the past several years many incentives have been geared to the targeted industries which closely align with those career cluster targets that were identified in the New Mexico Career Clusters Guide Book.

ADMINISTRATIVE IMPLICATIONS

EDD noted that the department and WSD often collaborate on a variety of projects with one another. Members of both agencies serve on boards within each agency, such as the Job Training Incentive Program's board.

TECHNICAL ISSUES

WSD's Economic Research and Analysis Bureau currently produces industry and occupation projections.

OTHER SUBSTANTIVE ISSUES

EDD noted the Economic Research and Analysis Bureau of WSD published employment projections summarizing the New Mexico job market and economy for a ten year period (2006-2016). The report showed over that ten year period New Mexico is expected to generate 123,830 new jobs yielding a 14 percent growth rate. The report also identified health care and social assistance sector to have the largest growth rate. EDD noted it utilizes those findings to continue to target quality jobs for New Mexicans.