

FY21 Appropriation Request



NEW MEXICO DEPARTMENT OF WORKFORCE SOLUTIONS

FY21 Appropriation Request Priorities

● Labor Staffing

– Labor Relations Division requests \$517,500

Recurring appropriation: \$396,700; Will allow DWS to meet statutory caseload obligations on Human Rights complaints.

- 2 HRB Investigators
- 1 Assistant Director (specifically needed for determinations)

Recurring appropriation: \$120,800; Will allow DWS to Increase monitoring/enforcement of Public Works Projects, as required by statute.

- 2 Public Works Investigators

FY21 Appropriation Request Priorities

- Recession Readiness. Unemployment Insurance Division. \$990K additional to offset Fed reductions and prepare the agency for recession-level support.
 - UI Grant Funding Decrease: Fed Appropriations Reduced by \$1M over the past three years & Feds stopped IT support.
 - Penalty & Interest Decrease: FY19 Balance \$6.4M - projected FY20 \$5.2M plus FY20 est revenue \$1.5 million leaves FY21 \$2.7M available to budget creating a shortfall of \$2.5M.
 - FY21 Estimated UI Program Cost: \$21 million (\$12.7 million Fed grant, \$2.7 million P&I, \$4.7 gen fund).
 - Recession Expense Increase: '08 Recession saw increase of 25% with an increase in staffing of 35% from FY08 to FY10, estimated need \$1M for recession.
 - UI Cost for Relocation IT Support: FY20 and FY21 relocation of UI to another building will require 4 additional IT FTE with an annual cost of \$256K.
 - Impact: Increased wait times & potential delay in benefit payments, increase security risks related to breaches, IT support services decreased (system upkeep and maintenance) resulting in a loss of \$42M modernized UI system upgrades.

FY21 Appropriation Request Priorities

● Constituent Services

- Employment Services Division request of \$495,000 additional in General Fund.
 - Fund salary parity within the division. We currently have line staff and managers below mid-point, and employees are starting to cycle. Some new employees are now making more than experienced employees.
 - Restore FTE levels
 - Increase direct services to the citizens of New Mexico

● Workers Compensation Administration Appropriation

- NMDWS asks for any reduction in this appropriation to be back filled with general fund