

MINUTES
Legislative Finance Committee
State Capitol, Room 307 - Santa Fe, NM 87501
April 25 - 27, 2018

Wednesday, April 25th

The following members and designees were present on Wednesday, April 25, 2018: Chairwoman Patricia A. Lundstrom; Vice Chairman John Arthur Smith; Representatives Jim R. Trujillo, Larry A. Larrañaga, Jimmie C. Hall, Nick L. Salazar, James G. Townsend, George Dodge Jr., and Randal S. Crowder; and Senators Carlos R. Cisneros, Steven P. Neville, Carroll H. Leavell, Mary Kay Papan, George K. Muñoz, William F. Burt, and Pete Campos. Guest legislators: Representatives Rebecca Dow, Doreen Y. Gallegos, Wonda D. Johnson, and Antonio Maestas; and Senators Sander Rue and Pat Woods.

Status Report of LFC Review of Criminal Justice in Bernalillo County. Presenting LFC staff's new monthly report on serious crime in the Albuquerque area, Jon Courtney, Ph.D., program evaluation manager for LFC, said the crime rate has decreased 12 percent in the last five months, and the number of arrests have increased 11 percent for the same period.

Mr. Courtney said staff's review of the criminal justice system in Bernalillo County will be completed in July. Giving a preliminary report of the review, Program Evaluator Travis McIntyre, Ph.D., said Albuquerque's total crime rate spiked in 2015, 2016, and early 2017. By crime type, Albuquerque's robbery, aggravated assault, auto theft, burglary, and larceny rates are currently much higher than those for similar-sized cities in the United States. The number of homicides in Albuquerque has also spiked; however, Albuquerque's homicide rate is still below average for similar-sized cities.

Mr. McIntyre talked about crime distribution and prison admissions from and releases to Bernalillo County. Fifty-one percent of crime in New Mexico occurs in Bernalillo County. Thirty percent of prison admissions are from Bernalillo County. In 2017, New Mexico's prison system released 272 more people to Bernalillo County than it admitted from Bernalillo County.

Mr. McIntyre said government spending on Bernalillo County's criminal justice system totals almost \$500 million annually. Chairwoman Lundstrom requested that staff report how much is state dollars and how much is local government dollars. Mr. McIntyre compared city police and district attorney funding in Albuquerque with similar-sized cities. New Mexico ranked in the middle for most of the comparisons made in city police funding and ranked at the higher end for amount of district attorney funding per felony prosecution. Mr. McIntyre noted the comparisons serve as a general picture and do not fully illustrate other states' funding because of certain factors, such as laws unique to a state.

Mr. Courtney said that addressing the root cause of crime and improving the swiftness and certainty of being caught would result in less criminal behavior and better outcomes for citizens. Poverty, child abuse, homelessness, and substance abuse are potential indicators of crime. According to a chart in the presentation, the poverty rate increased 3 percent from 2010 to 2016

and homelessness increased from 233 individuals in 2010 to 379 individuals in 2017. These increases correlate to the spike in crime.

Mr. Courtney said the cost of a felony crime and conviction in New Mexico is expensive, averaging \$169 thousand with added victim expenses. Staff is evaluating strategies and programs for addressing crime, breaking down the criminal justice system into three components: pre-arrest and policing, courts and attorneys, and incarceration and reentry. Mr. Courtney gave an overview of the strategies and programs found so far to be the most effective in addressing crime; these included prevention and early intervention practices, policing strategies, diversion and specialty courts, and residential treatment programs.

Concluding, Mr. Courtney acknowledged the several agencies and organizations assisting LFC staff with the data for their review.

Senator Cisneros asked what the status is of implementing the crime strategies unit in the 2nd Judicial District. District Attorney Raul Torrez said the district is in the process of hiring a lead investigator and other personnel to administer the unit.

In response to Senator Cisneros, Mr. Courtney said the recidivism rate for individuals released from New Mexico Corrections Department (NMCD) facilities is currently 50 percent. Mr. Courtney said staff will be reviewing NMCD later this year. Senator Cisneros requested staff include the Eagle Nest Reintegration Center in their review.

Representative Crowder requested staff report back to the committee how much crime is unreported.

Miscellaneous Business.

Action Items. Senator Cisneros moved to adopt the March 2018 meeting minutes, seconded by Representative Hall. The motion carried.

Senator Cisneros moved to adopt the LFC 2018 calendar, seconded by Representative Hall. The motion carried.

Review of Monthly Financial Reports and Information Items. David Abbey, director of LFC, briefed the committee on information items.

Early Childhood Business Plan: Prepared for New Mexico Early Childhood Funders Group.

Michael Weinberg, early childhood policy officer of the Thornburg Foundation, said the New Mexico Early Childhood Funders Group (NMECFG) is finalizing an early childhood business plan. NMECFG consists of private and public charitable foundations, including the Thornburg Foundation, Brindle Foundation, McCune Foundation, Los Alamos National Laboratory Foundation, and the W.K. Kellogg Foundation. Mr. Weinberg said the business plan, which is being established as a living document, will serve as the framework for researchers, advocates, and policymakers to facilitate collaborative work in achieving better early childhood outcomes.

Giving an overview of the issues and business plan, Patrick Dee, managing director of U.S. Bank Wealth Management, said early childhood development supports are essential to New Mexico's long-term outlook. Ninety percent of a child's brain develops by age 5. Research finds that children, whose early experiences support healthy development, are more likely to become successful students, adults, parents, employees, and citizens. Early education is especially important for children living in poverty and experiencing adverse childhood experiences (ACES). In New Mexico, 36 percent of young children live in poverty and 18 percent of children, newborn to age 17, experience three or more ACES. New Mexico has invested significantly in supporting young children and families, but additional progress is needed.

The business plan proposes a statewide vision: "*All New Mexico children receive high quality and affordable early learning and development services to prepare them for success in school and life.*" To achieve this, the business plan employs a strategic and systems-based approach that overcomes the many challenges and barriers and builds on existing assets.

Sharing his experience as a young child, Fred Mondragon, interim director of economic development for the city of Albuquerque, said exposing a child to education early is key to their success.

Mr. Mondragon and Katherine Freeman, president and chief executive officer of United Way of Santa Fe County, talked about the five key strategies identified in the business plan: coordinate state and tribal systems to be greater than the sum of their parts, leverage local community capacity to improve program implementation, build and support a highly effective early childhood workforce, conduct outreach and engagement to provide families with tools and information, and expand programs with quality to increase access for young children.

Douglas Brown, former dean of the Anderson School of Management at the University of New Mexico, said the business plan expands New Mexico's prekindergarten program from the current 40 percent participation rate to an 80 percent participation rate by 2024. The business plan also expands the early prekindergarten, home visiting, and Head Start programs. If implemented according to the business plan, the expansions would cost an additional \$19 million in the first year. Mr. Brown said the increased investment would produce both near-term and long-term benefits.

Concluding, Mr. Weinberg said investing in the vision in which all New Mexico children receive the support they need in their first five years of life is a necessary first step in realizing a future in which New Mexico thrives in measures of health, education, and economic vitality. Mr. Weinberg said NMECFG's next steps will be conducting community conversations to identify areas of consensus and opportunities to improve and revise the plan, engaging key policymakers, and providing implementation support and technical assistance.

In response to Representative Larrañaga, Ms. Freeman said the proposed prekindergarten expansion to 80 percent participation rate is based on the rate other states have achieved for their prekindergarten program.

Representative Dow expressed concern for the state's capacity to fill the workforce needed for the proposed prekindergarten expansion. Mr. Weinberg said the business plan includes increasing the number of Teacher Education and Compensation Helps (TEACH) scholarships. The plan also increases the TEACH scholarship incentive from \$1,500 to \$3,000.

In response to Representative Trujillo, Ms. Freeman said Head Start is a critical program in the state; however, the program needs better oversight and coordination.

Tax Refund Claims and Protests. Jon Clark, chief economist for LFC, said FY18 general fund revenue through February is up an estimated \$187.6 million, or 3 percent, from the January consensus revenue forecast. General fund revenue is tracking significantly higher than in FY16 and FY17, largely due to increased revenue from the oil and gas industry. Also, the consensus revenue estimating group (CREG) was conservative in its January 2018 forecast due to potential risks, particularly tax refund claims and protests.

Brian VanDenzen, chief hearing officer of the Administrative Hearings Office (AHO), said prior to AHO's establishment in 2015, DWI license revocation hearings and state tax protest hearings were conducted by the Hearings Bureau of the Taxation and Revenue Department (TRD). In FY16, the bureau's duties, budget, and staff were transferred to AHO.

John Monforte, acting secretary of TRD, talked about the state tax protest process, governed by the Taxation Administration Act. Protesters are first required to file a written protest with TRD. Protesters claiming a refund have the option of filing a civil action directly in the district court in Santa Fe. Mr. Monforte noted that approximately 70 percent of protests are resolved within TRD, saving AHO a hearing.

When a protest is filed, it is reviewed by TRD's Protest Bureau to ensure it meets the statutory requirements. TRD then sends an acknowledgment of receipt of a valid protest to the taxpayer. A protest auditor is assigned to review and work the protest. If TRD and the taxpayer are unable to resolve the protest, TRD must request a hearing with AHO within 45 days. Mr. VanDenzen said the case is then reviewed by AHO and a hearing is set within 90 days. Simple cases are given a merits hearing and complex cases a scheduled hearing. In FY17, 35 percent of cases were given a merits hearing and 65 percent a scheduled hearing. Mr. VanDenzen provided additional detail of merits and scheduled hearings. Concluding a hearing and any required post-hearing legal briefing or other submissions, the assigned administrative law judge reviews the record, researches the legal issue, and prepares the final decision and order. All decisions and orders are public documents and available for review on TRD's website, which Mr. VanDenzen said provides policy makers a tool for general guidance about what statutory areas need addressing.

Mr. VanDenzen said AHO's subpoena power lacks a clear enforcement mechanism for failure to comply with a subpoena. The agency recommends legislation that clarifies the enforcement mechanisms in the tax protest process.

In response to Chairwoman Lundstrom, Mr. VanDenzen said AHO is budgeted for 16 FTE.

The number of tax protest hearing requests has grown significantly, increasing from 34 in 2008 to 493 in 2017. Then reporting the number of requests by fiscal year, Mr. VanDenzen said AHO received 345 requests in FY17; 15 percent of these cases are resolved, 15 percent are active, and 10 percent are stayed. AHO has received 411 requests so far this fiscal year. The three main disputed issues of outstanding cases involve the high wage jobs tax credit, the medical deduction, and the chemicals and reagents deduction. Mr. VanDenzen talked about appeals; 21 cases are currently under appeal.

Mr. VanDenzen listed ways to improve hearing disposition efficiency; these included making statutory changes that allow for a mediation process, making statutory changes that prohibit hearings for a protested \$25 or less claim, and funding additional tax hearing officers.

Mr. Monforte said, of the 1,900 formal protests acknowledged by TRD's Protest Bureau in 2016, 1,200 were resolved within the agency. Almost 800 of the protests were refund claims. Mr. Monforte provided additional detail on the three main disputed issues.

Concluding, Mr. Monforte listed ways to improve the tax protest system; these included creating a business credit unit and funding additional staff for TRD's Legal Bureau. He also stated TRD would provide requested detailed historical data on tax refund claim protests to LFC staff within one week.

Senator Cisneros requested TRD and AHO present the issues to the Revenue Stabilization and Tax Policy Committee.

Thursday, April 26th

The following members and designees were present on Thursday, April 26, 2018: Chairwoman Patricia A. Lundstrom; Vice Chairman John Arthur Smith; Representatives Jim R. Trujillo, Larry A. Larrañaga, Jimmie C. Hall, Nick L. Salazar, James G. Townsend, George Dodge Jr., and Randal S. Crowder; and Senators Carlos R. Cisneros, Steven P. Neville, Carroll H. Leavell, Howie C. Morales, George K. Muñoz, William F. Burt, and Pete Campos. Guest legislators: Representatives Doreen Y. Gallegos, Wonda D. Johnson, and Antonio Maestas; and Senators James P. White and Pat Woods.

Before starting the first order of business, Jon Clark and Dawn Iglesias, both economists for LFC, gave a brief report on the status of New Mexico's tax expenditures, providing the committee informational materials, including a spreadsheet of the state's tax expenditures and a list of LFC staff policy principles for tax expenditures. Mr. Clark said most of the state's tax expenditures do not meet LFC staff policy principles.

Chairwoman Lundstrom said the committee may want to consider endorsing LFC staff policy principles for tax expenditures. Chairwoman Lundstrom requested LFC staff propose endorsement of the principles at the committee hearing in August.

Senator Cisneros requested LFC staff present the same issues to the Revenue Stabilization and Tax Policy Committee.

Capital Outlay Quarterly Report. Jonas Armstrong, analyst for LFC, said early consensus in the 2018 legislative session on capital outlay allocations for both state and local projects led to the adoption and signing of two major capital outlay bills. The bills authorized \$329.2 million for infrastructure projects statewide. An additional \$35.3 million was earmarked for water, colonias, and tribal infrastructure projects. Approximately \$137.6 million supplemental severance tax bond capacity was made available for public schools. The governor vetoed 119 severance tax bond projects in House Bill 306, totaling \$8.1 million. Mr. Armstrong reported other legislative detail.

Mr. Armstrong then presented the March 2018 capital outlay quarterly report. As of March 2018, approximately \$512.2 million from all funding sources for 1,580 projects remains unexpended, including \$70.2 million of earmarked fund balances for water, colonias, and tribal infrastructure projects. Additionally, \$211 million remains unexpended from supplemental severance tax bonds for public schools.

Since the December 2017 quarterly report, 164 projects closed and approximately \$110.8 million was expended or reverted. These figures include 54 projects that were not fully expended, but closed due to reauthorization during the 2018 legislative session. The reauthorized projects had balances totaling \$36 million as of December 2017. Excluding reauthorizations, 110 projects closed and about \$74.8 million was spent or reverted.

Staff is currently tracking 193 “\$1 million or greater” projects, totaling \$973 million; \$416 million is unexpended. Since the December 2017 report, 13 appropriations totaling \$59.6 million were fully expended or reauthorized.

Members were provided detailed information on all projects; the status of select projects were highlighted.

Mr. Armstrong lastly talked about recent and future site visits. LFC recently visited Department of Cultural Affairs’ book mobiles and the Mora County court house.

In response to Senator White, Mr. Armstrong said reverted funds of closed projects return to the severance tax bonding fund.

Senator Leavell expressed concern for road conditions in Lea and Eddy counties. Senator Leavell said the counties need capital outlay to improve roads.

Children, Youth, and Families Department: Managing for Results, 2nd Quarter. Monique Jacobson, secretary of the Children, Youth and Families Department (CYFD), said the use of data for decision-making leads to better decisions, better budgeting, and improved accountability. Secretary Jacobson talked about how CYFD is using data to address issues, improve accountability, and upgrade its strategic plan.

In the past, CYFD’s Protective Services program had a significantly high vacancy rate, creating high caseloads for caseworkers. Data revealed that the high vacancy rate was primarily due to delays in the hiring process. To eliminate delays and improve efficiencies in the hiring process, CYFD implemented a rapid hire event program. In collaboration with the State Personnel Office,

CYFD conducts rapid hire events, an event where applications are received, interviews are conducted, and job offers are made in one place on the same day. Since implemented, Protective Services' vacancy rate has decreased from 26 percent to 10 percent.

In 2015, CYFD was under pressure from child advocacy groups to expand eligibility for childcare assistance from 150 percent of the federal poverty level (FPL) to 200 percent FFL. After reviewing data, CYFD learned that only one-third of the 150 percent FPL population was accessing the services. As a result, CYFD focused its efforts on increasing participation by doing more outreach and changing the role of childcare eligibility interviewers to a case management role. CYFD has increased the participation from 16 thousand participants in 2015 to about 20 thousand participants in 2018.

CYFD's Protective Services program is lacking consistency in decisions made by staff. The inconsistency was determined from the varying substantiated rates by county. CYFD is implementing an evidence-based shared decision-making tool that uses analytics to aid in decision-making and improve consistency across counties.

Overtime expenses had been significantly impacting CYFD's budget. According to data, disproportionate overtime trends were occurring for counties, facilities, and individual workers. After investigating its over-time drivers, CYFD made adjustments to staffing levels in appropriate areas, personnel scheduling changes in appropriate areas, and limitations on justified exceptions for overtime. CYFD has decreased its overtime spending by over \$1 million.

In the past, CYFD has reverted back to the state general fund unspent contract dollars. To improve its contract budgeting and avoid reversions in the future, CYFD implemented key performance indicators designed to demonstrate spending rates at contract period milestones. The agency is also amending contracts at the six-month point in the contract period based on actuals.

CYFD is using data to hold its staff accountable. Performance reports are being generated on a monthly basis for staff. The reports provide lower level managers an opportunity to evaluate and improve performance in their areas of responsibility and informs staff of the impacts being made on improving the quality of life for New Mexico's children. Similarly, performance reports are being generated on a monthly basis for contractors.

Secretary Jacobson said CYFD's strategic plan is critical to the agency. Based on its core mission, vision, operating principles, and strategic planks, CYFD's strategic plan establishes the core functions of its programs to achieve desired outcomes. Secretary Jacobson talked about CYFD's high reliance of performance measures to continually refine its strategic plan.

Concluding, Secretary Jacobson said using data for decision-making can also be risky; data is vulnerable to manipulation and too much data can cause analysis paralysis.

In response to Representative Gallegos, Secretary Jacobson said CYFD will be receiving additional federal dollars. Secretary Jacobson said CYFD does not know when the additional funding will be received, how much will be received, or what it will be used for.

In response to Senator Neville, Secretary Jacobson said CYFD initiated the request for proposal (RFP) process to purchase and renovate a building in Bernalillo County.

Overview of LFC Program Evaluation on Opportunities to Expand Student Learning Time To Get Better Results in Public Schools. Charles Sallee, deputy director of program evaluation for LFC, said LFC staff is currently evaluating instructional time in public and charter schools. The evaluation is tentatively scheduled to be completed this fall.

Staff will be

- Evaluating whether current instructional time requirements are sufficient to achieve target educational outcomes,
- Assessing potential approaches to instructional time,
- Assessing potential costs of adding more instructional time, and
- Reviewing the progress of implemented recommendations of LFC’s 2016 report *Assessing “Time-on-Task” and Efforts to Extend Learning Time.*

Increasing Time for High Quality Instruction To Get Better Student Outcomes. Jeannie Oakes, Ph.D., senior fellow of the Learning Policy Institute and presidential professor at the University of California, Los Angeles, said learning time matters more than ever. Unfortunately, children from low-income families are at a disadvantage for receiving the same amount of learning opportunities that children from high-income families receive. Professor Oakes said well-off parents are able to invest higher amounts of dollars and hours in their own children’s education. Well-off children are typically in schools with more learning time and live in neighborhoods and communities that provide additional opportunities for learning. This inequality has created a significant learning gap. According to a short video played for the committee, children from middle-income families receive about 6,000 more hours of learning by grade 6 than children from low-income families.

Professor Oakes said the Legislative Education Study Committee and the National Conference of State Legislatures are collaboratively studying world-class education systems. World-class education systems have in common school-ready children and supports for struggling students.

Professor Oaks made several recommendations for New Mexico’s public education system, including making early childhood education universal, expanding the prekindergarten program, following the new early learning provisions of the Every Student Succeeds Act (ESSA), expanding the school day and year, changing from a K-3 plus program to a K-5 plus program, and improving summer learning and after school programs.

Professor Oaks provided a chart on best practices to maximize academic learning time and talked about what other states are doing to increase learning time and opportunities in their education systems.

Concluding, Professor Oaks said a good learning time policy targets high-need schools, focuses on learning, institutes a well-round curriculum, supports community partnerships, establishes standards for quality control, blends and braids funding streams, removes barriers in facility sharing, and provides sufficient and sustained funding.

In response to Representative Hall, Professor Oaks said New Mexico has a good foundation for its K-3 Plus program. Professor Oaks recommends making K-3 Plus a schoolwide program.

Representative Larrañaga expressed concern that New Mexico's public education system has become immobilized and unable to progress due to resistance of implementing new and innovated practices.

Friday, April 27th

The following members and designees were present on Friday, April 27, 2018: Chairwoman Patricia A. Lundstrom; Representatives Jim R. Trujillo, Larry A. Larrañaga, Jimmie C. Hall, Nick L. Salazar, James G. Townsend, Roberto "Bobby" J. Gonzales, and Randal S. Crowder; and Senators Carlos R. Cisneros, Steven P. Neville, Carroll H. Leavell, Howie C. Morales, Mary Kay Papan, Pat Woods, and Pete Campos. Guest legislators: Representatives Wonda D. Johnson and Antonio Maestas.

Workforce Solutions Department and Local Boards. Celina Bussey, secretary of the Workforce Solutions Department (WSD), said WSD measures its performance of serving job seekers and businesses and managing its workforce. Giving a brief report on FY16 and FY17 performance, Secretary Bussey said WSD met and exceeded its annual targets for

- Individuals in the Wagner-Peyser program who retain employment,
- Accuracy rate of claimant separation determinations, and
- 14-day benefit payment timeliness.

WSD also has internal performance measures, including measuring the number of job placements that are a direct result of one-on-one communication with job seekers and businesses.

Secretary Bussey talked about Reemployment Services and Eligibility Assessment (RESEA), a program funded by the U.S Department of Labor to help unemployment insurance claimants return to work faster. Administered by WSD's Unemployment Division, RESEA engages unemployment insurance claimants within four weeks of receiving their first payment. Local workforce office counselors work with claimants on attaining employment. Secretary Bussey said RESEA is helping decrease the duration of benefits for many.

Secretary Bussey said WSD deployed a predictive analytics and behavioral science method to improve its system. The innovative approach uses big data to make predictions used to prevent incidences from occurring, such as errors and fraud. Secretary Bussey said, since implemented, occurrences of overpayments, improper payments, and fraud in the unemployment insurance program have decreased. Secretary Bussey mentioned other positive results the new method is yielding.

Leslie Sanchez, chair of Workforce Connection of Central New Mexico (WCCNM), said WCCNM is one of four workforce boards in the state, established by the Workforce Innovation and Opportunity Act (WIOA). The boards partner with WSD's workforce connections centers, organizations, businesses, and other stakeholders in providing jobseekers access to employment, education, training and support services to succeed in the labor market and providing businesses

access to the skilled workers they need to compete in the global economy. Ms. Sanchez said WCCNM is administered by the Mid Region Council of Governments.

Updating the committee on current activity, Ms. Sanchez said WCCNM is working on providing the youth services mandated by WIOA and is executing the tasks to support the one-stop delivery system, also mandated by WIOA. Other activity was reported.

Dewey Cave, executive director of the Mid-Region Council of Governments (MRCOG), said WCCNM was funded \$8.3 million for program year 17. Mr. Cave talked about how the money was spent. About 10 percent was used for administration costs. Contracts funded included 120 on-the-job training contracts, impacting 280 individuals, and 80 customized and incumbent worker contracts, impacting 300 individuals.

Directing members to the LFC staff hearing brief, Kelly Klundt, analyst for LFC, said WSD is using robust data to facilitate its decision-making on key issues and priorities to improve the services it provides to high-risk populations. Included with the brief was WSD's latest report card. Ms. Klundt pointed out that many of WSD's measures are focused on long-term outcomes.

Jon Clark, chief economist for LFC, said New Mexico's unemployment rate from March 2017 to February 2018 averaged 6 percent; the U.S. average was 4.3 percent. A chart in the brief showed the number of jobs each county in New Mexico would have to create for it to reach the U.S. average. Luna County averaged the highest unemployment rate in the state. Nearly 1,000 jobs would have to be created in Luna County to decrease its rate of 13.8 percent to the U.S. average of 6 percent. The lowest average unemployment rates were in Union County, averaging 3.6 percent, and Los Alamos, averaging 3.7 percent. Mr. Clark said the unemployment rate is especially high for New Mexico's youth, currently averaging 21.2 percent.

Dawn Iglesias, economist for LFC, said New Mexico is performing relatively well, compared with its peer states, in creating new jobs by recruiting new businesses. However, the state is struggling to create new jobs through business expansion.

Ms. Iglesias said New Mexico's workforce is shrinking, particularly the workforce between the ages of 35 and 54. From 2010 to 2015, more people left the state than relocated to the state. Most out-migration is occurring with those who have a bachelor's degree or at least some college education, according to the University of New Mexico Bureau of Business and Economic Research (BBER). Ms. Iglesias said this pattern indicates college-educated, prime working age adults are leaving New Mexico for job opportunities elsewhere. Ms. Iglesias said the key takeaway of this information is that New Mexico not only needs to create jobs but also create well-paying jobs.

Ms. Klundt updated the committee on the status of the state's unemployment insurance trust fund. The fund balance has increased year-over-year since 2015; however, it has not yet returned to the level prior to the last recession.

The LFC staff hearing brief included a short overview of Economic Development Department (EDD) job creation strategies and performance. Jacqueline Martinez, analyst for LFC, said EDD will report to the committee an in-depth presentation of its job creation strategies and performance

in May. Chairwoman Lundstrom asked Ms. Martinez to request from the New Mexico Finance Authority (NMFA), on behalf of the committee, a report on the status of NMFA programs and funds.

In response to Representative Crowder, Secretary Bussey said the requirements to qualify for unemployment insurance benefits have remained relatively the same since established almost 80 years ago. Secretary Bussey said losing a job due to poor performance does not disqualify a person from receiving the benefits; however, job misconduct does disqualify a person.

Representative Larrañaga asked what veteran-specific programs are being administered for developing New Mexico's workforce. Mr. Cave said WCCNM does not have a veteran-specific program; however, veteran services are being provided through a partnership at MRCOG's business and career centers. Secretary Bussey said WSD receives federal funds to hire dedicated staff for the workforce connections centers to provide individualized career and training-related services to veterans and eligible persons.

In response to Representative Townsend, Mr. Clark said the Local Economic Development Act (LEDA) has rules on what the funds can be used for; however, it is up to EDD to decide the amount of investments and to which companies.

With no further business, the meeting adjourned at 10:45 a.m.



Patricia A. Lundstrom, Chairwoman



John Arthur Smith, Vice Chairman