

FY22 Appropriation Request



NEW MEXICO DEPARTMENT OF WORKFORCE SOLUTIONS

5% General Fund Reduction

- General Fund reduction of \$493,970
 - Unemployment Insurance Division reduction of \$150,000
 - Federal Funding will be used to supplement reduction
 - Information Technology Division reduction of \$150,000
 - Federal Funding will be used to supplement reduction
 - Employment Services Division reduction of \$193,970
 - Federal Funding will be used to supplement reduction

FY22 Appropriation Request Priorities

- 1.) Maintain funding levels for the Labor Relations Division
 - Labor Relations Division requests to retain FY21 General Fund Appropriation levels of \$2,031,400
 - This will allow the agency to restore caseloads to a time when the bureau was consistently meeting its statutory obligations on Human Rights complaints. Increase monitoring and enforcement capacity on Wage & Hour and Public Works Projects, as required by statute.

FY22 Appropriation Request Priorities

● 2.) Maintain funding levels for Unemployment Insurance Division and Information Technology Division

Sustained funding would prepare the agency for recession-level support to New Mexicans.

- Funding Increase: Federal Appropriations have increased with increased caseload but unpredictable for how long
- Monthly Run Rate pre-COVID: Monthly Run Rate of \$1,220,000 for UI
- Monthly Run Rate during COVID (March – June): Monthly Run Rate of \$3,103,000 for UI
- Information Technology expense Increase: Hardware/Software agreement increase which supports entire agency.

FY22 Appropriation Request Priorities

- 3.) Co-Location opportunities with other State Agencies
 - Community focused to create a true One-Stop location with other agency services with focus on WIOA Integration
 - Prioritize where the rent of buildings are non-state owned.

Wage & Hour Update

Open Investigations:

745 - Cases as of October 30, 2020

Cases waiting assignment:

201 - Cases waiting assignment

Intakes:

247

\$245,000 collected for claimants since July 1, 2020

Human Rights Update

Open Discrimination Investigations

478- Pending Cases as of October 30, 2020

Cases Waiting Assignment

336- Cases waiting assignment

71- Cases per Civil Rights Investigator

5- Number of Investigators

\$186,000 collected for claimants last calendar year

Trust Fund update

SFY2021		SFY2020		SFY2019	
Date	Total	Date	Total	Date	Total
7/6/2020	\$176,235,149.68	7/1/2019	\$464,568,305.68	7/3/2018	\$442,991,082.24
7/13/2020	\$153,879,123.93	7/8/2019	\$462,333,198.67	7/10/2018	\$440,866,362.25
7/20/2020	\$131,995,273.70	7/15/2019	\$460,605,884.99	7/17/2018	\$439,531,264.59
7/27/2020	\$108,429,597.00	7/22/2019	\$461,653,986.98	7/24/2018	\$440,460,307.37
8/3/2020	\$100,699,394.79	7/29/2019	\$461,988,833.01	7/31/2018	\$444,029,067.98
8/10/2020	\$81,319,590.10	8/5/2019	\$480,349,436.18	8/7/2018	\$461,357,268.19
8/17/2020	\$64,556,014.06	8/12/2019	\$481,684,880.08	8/14/2018	\$462,161,531.15
8/24/2020	\$43,934,297.93	8/19/2019	\$479,932,367.77	8/21/2018	\$460,547,934.67
8/31/2020	\$22,923,139.36	8/26/2019	\$478,035,429.31	8/28/2018	\$458,816,638.77
9/8/2020	\$0.00	9/3/2019	\$476,141,807.54	9/4/2018	\$457,552,098.83
9/14/2020	(\$15,623,483.28)	9/9/2019	\$474,415,618.75	9/11/2018	\$455,010,557.39
9/21/2020	(\$45,700,664.78)	9/16/2019	\$472,611,669.67	9/18/2018	\$452,608,111.31
9/28/2020	(\$51,462,017.98)	9/23/2019	\$470,888,713.30	9/25/2018	\$450,564,289.58
10/5/2020	(\$69,601,982.82)	9/30/2019	\$468,886,242.58	10/2/2018	\$451,321,425.02
10/12/2020	(\$85,597,288.58)	10/7/2019	\$469,953,025.72	10/9/2018	\$450,412,282.08
10/19/2020	(\$100,910,062.88)	10/14/2019	\$468,432,887.83	10/16/2018	\$448,231,787.84
10/26/2020	(\$114,410,362.85)	10/21/2019	\$468,892,426.92	10/23/2018	\$449,512,763.26
11/2/2020	(\$124,068,261.72)	10/28/2019	\$468,567,522.29	10/30/2018	\$451,508,593.75

Trust Fund update

Trust Fund Working Group- Meeting to develop plan for session.

Plan

- Bond to pay for current and projected loan amount. NMFA involved in projections. Will need revenue stream.
- OR set up revenue stream to pay off Federal loans directly.

Will depend on availability of funds from state and Congressional actions.

WIOA update

● Key focus areas:

- State Workforce Development Board conducting a comprehensive review of workforce system in response to LFC Spotlight Report. Purpose of Review:
 - Identify & propose opportunities for alignment, efficiency & effectiveness of workforce development activities;
 - Review potential impact of realignment and/or consolidation of local area designations;
 - Improve partnership and coordination with local chief elected officials to strengthen effectiveness of local workforce boards;
 - Alignment of partnership and investments w/ NMEDD planning.
- Focused investment in dislocated worker education and training;
- Sector strategy development in in-demand industries in each region (ie, healthcare, IT, education, etc...)

Funding Levels

● Families First Coronavirus Response Act

- Amount Received: \$5,263,473
- Purpose: Emergency Unemployment Insurance Program Administration
- Time Frame: Anticipation for many years
 - Should be used as a stability of funding sources for 3+ years
 - Support expansion and sustainment for recession
 - Prioritize funding that will expire first

Funding Levels Continued

- Penalty and Interest (P&I)
 - FY21 Fund Balance \$7,758,607
 - Anticipated Expenditures:
 - **Trust Fund Loan Repayment**
 - **Estimated Expenditures: \$3,000,000 (Depends on Congress)**
 - FY21 Operating Budget
 - Estimated Expenditures \$1,532,000
 - FY22 Appropriations Request
 - Estimated Expenditures \$3,332,000