

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR	Taylor	ORIGINAL DATE	1-30-06	HB	
		LAST UPDATED			
SHORT TITLE	EMPLOYMENT-RELATED EDUCATIONAL GOALS			SJM	11
				ANALYST	Lucero

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Office of Workforce Training and Development (OWTD)

Developmental Disability Planning Council (DDPC)

SUMMARY

Synopsis of Bill

Senate Joint Memorial 11 identifies a need to have an educated workforce in order to move residents out of poverty. SJM11 identifies that a public school education does not always translate to appropriate workplace skills. SJM11 also identifies that some public assistance clients need specific training in employment-related skills in order to succeed and to remain employed.

Senate Joint Memorial 11 encourages the Office of Workforce Training and Development (OWTD) to:

1. Focus on providing appropriate workforce training for its clients.
2. Expand the focus of training programs to include more emphasis on particular employment-related skills.

SJM11 requires OWTD to report to the welfare reform oversight committee on the employment-related training programs in place throughout the state by October 2006.

A copy of this memorial is to be transmitted to the executive director of the office of workforce training and development.

FISCAL IMPLICATIONS

This memorial would impact on the Office of Workforce Training & Development by requiring OWTD to dedicate staff resources to carry out the reporting as requested in the memorial. Although estimated to be relatively modest in scope, the work appears to be within allowability requirements of the federal Workforce Investment Act. OWTD has no General Fund that can be used to conduct research, prepare reports, and publish studies outside the scope of those allow-

able under WIA, nor is any General Fund for this type of work included in the current version of the General Appropriation Act. For FY07, OWTD requested approximately \$100.0 for staff to conduct such studies.

SIGNIFICANT ISSUES

OWTD provided the following statements:

- While OWTD does not have jurisdiction of training programs available under the Public or Private Education System in this state, we are working through the Coordination Oversight Committee, which includes Secretary Garcia and Secretary Hyde.
- The SJM does not impose such requirements on the public or private educational systems or providers, nor does it require any coordination with the OWTD.
- The OWTD only has enrollment authority under the provisions of the federally—funded Workforce Investment Act, which specifically requires its enrollees to be assessed and enrolled into training programs determined to be occupations in employment demand. The WIA requires tracking of all participants and reporting to the USDOL on a quarterly and annual basis, and further requires the OWTD and its boards to meet/exceed USDOL negotiated performance measures or face sanctions. Reporting WIA information to the WROC is not an issue.
- The SJM does not provide any funding for the OWTD to coordinate the enrollment or tracking of non-WIA students into the various educational institutions located in this state.
- The OWTD receives WIA funds to perform WIA-related activities. SJM does not provide funding or resources for this additional work.
- Currently, local boards and their providers are administering TANF programs in the Central and Eastern areas. On July 1, 2006, the Northern and Central regions will be added.

ADMINISTRATIVE IMPLICATIONS

As indicated, OWTD would need to dedicate staff to conduct the work and prepare the reports called for under the memorial. In addition, OWTD would need to devote staff and management time to ensure that training programs are expanded in focus to include more emphasis on particular employment related skills and follow through with Local Workforce Areas to achieve this end. OWTD does not have an administrative general fund appropriation to provide non-federally mandated services to the state.

TECHNICAL ISSUES

SJM 11 does not require OWTD and public or private educational systems to collaborate or coordinate efforts.

SJM 11 does not require coordinated efforts with other departments such as Human Services Department; Division of Vocational Rehabilitation, Public Education Department, Special Education Department, Health Department, Long Term Services Division.

Senate Joint Memorial Bill 11 – Page 3

SJM 11 does not require facilitation of employment training for individuals with developmental disabilities.

OTHER SUBSTANTIVE ISSUES

SJM 11 would like OWTD to be encouraged to focus on providing appropriate workforce training for its clients. NM Statute 50-14-1.1 (NMSA 1978) identified OWTD's purpose as one which coordinates and maximizes the effectiveness of workforce programs in New Mexico. **OWTD is not a provider of workforce training.**

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

DL/mt