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SENATE BILL 101

44TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1999

INTRODUCED BY

Ben D. Altamirano

FOR THE WELFARE REFORM OVERSIGHT COMMITTEE

AN ACT

RELATING TO PUBLIC ASSISTANCE; EXTENDING THE EFFECTIVE DATE OF THE NEW MEXICO WORKS SUBSIDIZED EMPLOYMENT PILOT PROJECT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 27-2B-19 NMSA 1978 (being Laws 1998, Chapter 8, Section 19 and Laws 1998, Chapter 9, Section 19) is amended to read:

"27-2B-19. PILOT PROJECT--SUBSIDIZED EMPLOYMENT. --

A. The department [~~may~~] shall apply for a food stamp waiver from the United States department of agriculture to operate a wage subsidy pilot program

B. Upon securing a food stamp waiver, the department shall develop a wage subsidy pilot program to run from [~~the effective date of the New Mexico Works Act~~] February 18, 1998 until [~~July 1, 2001~~] July 1, 2002. The department

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1 shall select a class A county, a class B county with a
2 valuation under three hundred million dollars (\$300,000,000),
3 a class B county with a valuation over three hundred million
4 dollars (\$300,000,000), a class C county and a first class
5 county as sites for the wage subsidy pilot program.

6 C. The wage subsidy pilot program shall include
7 the following requirements:

8 (1) participating employers shall hire
9 participants who receive cash assistance and food stamps for
10 subsidized job slots that are full time and that offer a
11 reasonable possibility of unsubsidized employment after the
12 subsidy period;

13 (2) participating employers shall receive a
14 subsidy for up to six months. The department may grant an
15 extension of three months to employers operating in areas
16 identified as having a higher unemployment rate than the state
17 average, as defined by the department, if the extension
18 increases the likelihood of ongoing unsubsidized employment
19 for the subsidized employee;

20 (3) subsidized employees shall not be
21 required to work in excess of forty hours per week;

22 (4) subsidized employees shall be paid a wage
23 that is substantially like the wage paid for similar jobs with
24 the employer with appropriate adjustments for experience and
25 training but not less than the federal minimum hourly wage;

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1 (5) subsidized employment does not impair an
2 existing contract or collective bargaining agreement;

3 (6) subsidized employment does not displace
4 currently employed workers or fill positions that are vacant
5 due to a layoff;

6 (7) wage subsidy employers shall:

7 (a) maintain health, safety and working
8 conditions at or above levels generally acceptable in the
9 industry and not less than those of comparable jobs offered by
10 the employer;

11 (b) provide on-the-job training
12 necessary for subsidized employees to perform their duties;

13 (c) sign an agreement for each
14 placement outlining the specific job offered to a subsidized
15 employee and agree to abide by all of the requirements of the
16 program;

17 (d) provide workers' compensation
18 coverage for each subsidized employee; and

19 (e) provide the subsidized employee
20 with benefits equal to those for new employees or as required
21 by state and federal law, whichever is greater;

22 (8) the department shall [~~make a~~
23 ~~determination of~~] determine whether a participant is eligible
24 to be a subsidized employee [~~that includes the following~~
25 ~~criteria~~] by establishing:

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1 (a) that the participant has sufficient
2 work experience to obtain unsubsidized employment;

3 (b) [~~completion of~~] that the
4 participant has completed an employment preparation program;
5 or

6 (c) that the department or participant
7 may benefit from this employment strategy [~~by the department~~];

8 (9) a disregard of income earned by the
9 subsidized employee in the subsidized job shall be applied in
10 the eligibility determination for services;

11 (10) the department shall suspend regular
12 payments of cash assistance and food stamps to the benefit
13 group for the calendar month in which an employer makes the
14 first subsidized wage payment to a subsidized employee who is
15 otherwise eligible for cash assistance and food stamps;

16 (11) the department shall pay employers each
17 month, from the subsidized employee's cash assistance and food
18 stamps, the lesser of a fixed subsidy amount determined by the
19 department or the gross wages paid to the subsidized employee;

20 (12) a subsidized employee shall be eligible
21 for supplemental payments if the net monthly full-time wage
22 paid to the subsidized employee is less than the combined
23 monthly total of the cash assistance and food stamps the
24 participant is eligible to receive. The department shall
25 authorize issuance of a supplemental cash payment to

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1 compensate for the deficit. To determine if a deficit exists,
2 the department shall adopt an equivalency scale that is
3 adjustable to household size and other factors; and

4 (13) the department shall determine monthly
5 and pay in advance supplemental payments to eligible
6 subsidized employees. In calculating the payment, the
7 department shall assume that the subsidized employee will work
8 forty hours per week during the month unless an employer
9 provides information that the number of hours to be worked by
10 the subsidized employee will be reduced.

11 D. Prior to the second session of the forty-fifth
12 legislature [~~first session~~] the department shall report the
13 results of the wage subsidy pilot program to the appropriate
14 legislative interim committee.

15 E. For the purposes of this section, "benefits"
16 includes health care coverage, paid sick leave and holiday and
17 vacation pay.

18 F. For the purposes of this section, "subsidized
19 employee" means a participant engaged in a subsidized
20 employment activity.

21 G. For the [~~purpose~~] purposes of this section,
22 "net monthly full-time wage" means a subsidized employees' s
23 wages after the required payroll deductions. "

1 FORTY-FOURTH LEGISLATURE

2 FIRST SESSION, 1999

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5 February 8, 1999

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8 Mr. President:

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10 Your PUBLIC AFFAIRS COMMITTEE, to whom has been
11 referred

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13 SENATE BILL 101

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15 has had it under consideration and reports same with
16 recommendation that it DO PASS, and thence referred to the
17 FINANCE COMMITTEE.

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19 Respectfully submitted,

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Shannon Robinson, Chairman

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Adopted _____ Not

Adopted _____

(Chief Clerk)

(Chief Clerk)

Date _____

The roll call vote was 5 For 0 Against

Yes: 5

No: 0

Excused: Boitano, Ingle, Stockard, Smith

Absent: None

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1 FORTY-FOURTH LEGISLATURE

2 FIRST SESSION, 1999

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6 February 25, 1999

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8 Mr. President:

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10 Your FINANCE COMMITTEE, to whom has been referred

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12 SENATE BILL 101

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14 has had it under consideration and reports same with
15 recommendation that it DO PASS.

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18 Respectfully submitted,

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24 Ben D. Altamirano, Chairman

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Adopted _____ Not

1 Adopted _____

2 (Chief Clerk)

(Chief Clerk)

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6 Date _____

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9 The roll call vote was 7 For 0 Against

10 Yes: 7

11 No: 0

12 Excused: Campos, Carraro, Eisenstadt, Ingle, Rodriguez, Tsosie

13 Absent: None

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1 FORTY-FOURTH LEGISLATURE
2 FIRST SESSION, 1999
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6 March 3, 1999
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8 Mr. Speaker:
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10 Your APPROPRIATIONS AND FINANCE COMMITTEE, to
11 whom has been referred
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13 SENATE BILL 101
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15 has had it under consideration and reports same with
16 recommendation that it DO PASS.

17 Respectfully submitted,
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22 Max Coll, Chairman
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FORTY-FOURTH LEGISLATURE
FIRST SESSION, 1999

Page 11

Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

Date _____

The roll call vote was 16 For 0 Against

Yes: 16

Excused: Heaton

Absent: None

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