
UNEMPLOYMENT AND WORKFORCE DEVELOPMENT DURING COVID-19

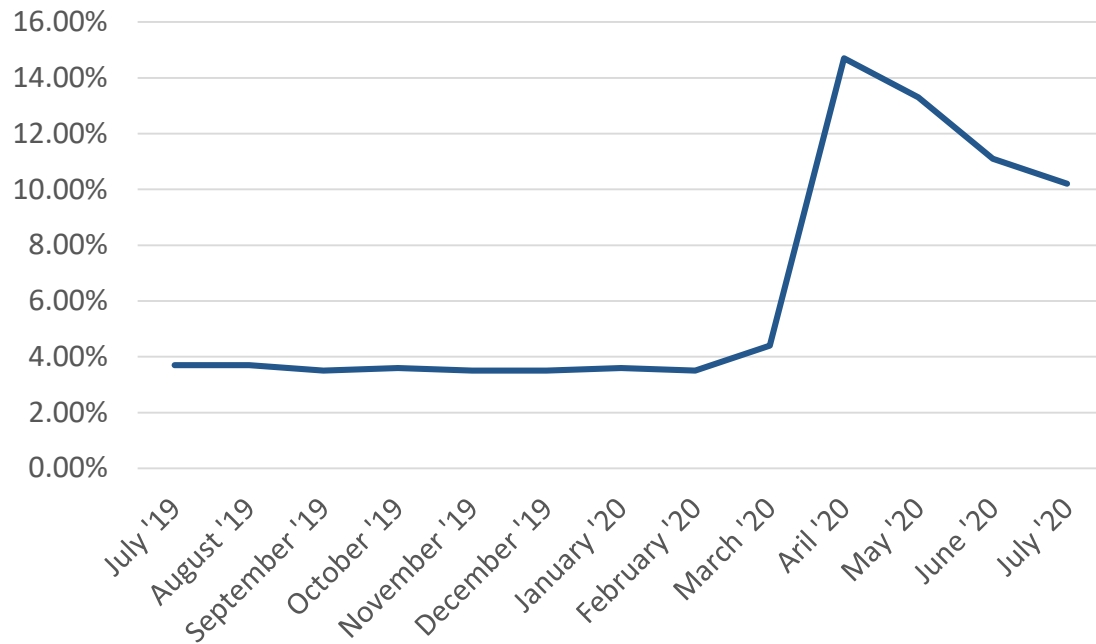
NEW MEXICO LEGISLATIVE FINANCE COMMITTEE MEETING

WEDNESDAY, AUGUST 26, 2020



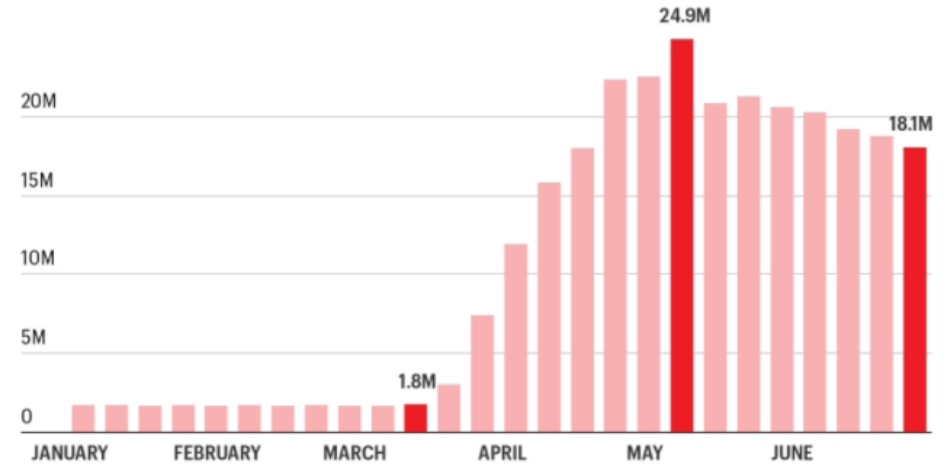
NATIONAL AND STATE UNEMPLOYMENT

U.S. Monthly Unemployment Rate



Americans receiving unemployment benefits

Americans receiving unemployment benefits



CONTINUED CLAIMS, SEASONALLY ADJUSTED

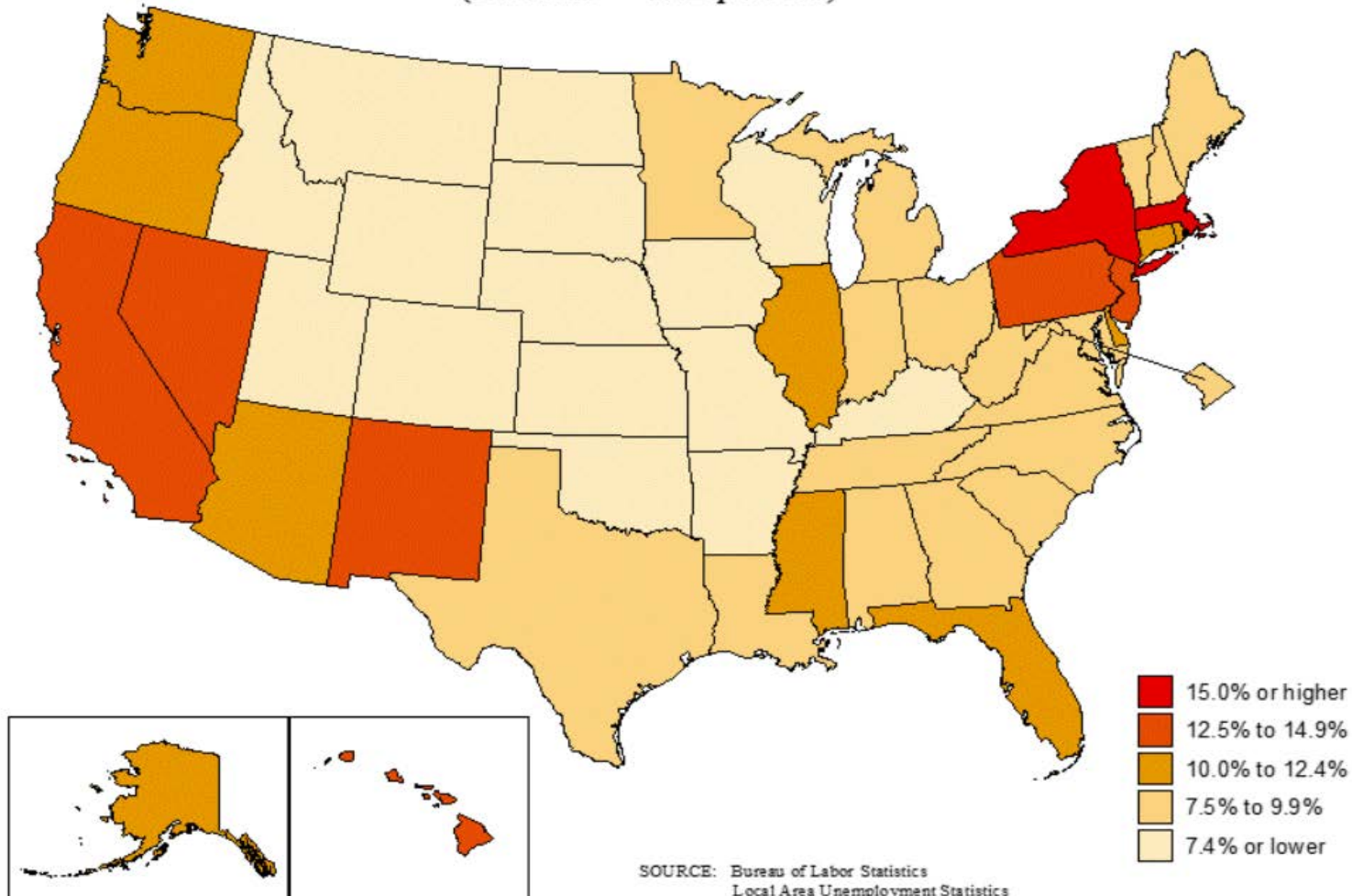
CHART: LANCE LAMBERT • SOURCE: U.S. DEPARTMENT OF LABOR

FORTUNE



Unemployment rates by state, seasonally adjusted, July 2020

(U.S. rate = 10.2 percent)



New Mexico- 12.7%
8th highest in the country

SOURCE: Bureau of Labor Statistics
Local Area Unemployment Statistics

What's Been Lost and What's Come Back

A snapshot of April job losses in several industries and the number of jobs recovered by June (in parentheses):

LEISURE AND HOSPITALITY

7.7 million (1.2 million)

HEALTH SERVICES

2.5 million (568,000)

PROFESSIONAL AND BUSINESS SERVICES

2.1 million (306,000)

RETAIL

2.1 million (740,000)

MANUFACTURING

1.3 million (356,000)

STATE LEGISLATURES MAGAZINE



“What makes this downturn unique is that it is driven by a health crisis, not an economic crisis.”

-Rakesh Kochhar, Pew Research Center



NATIONAL CONFERENCE OF STATE LEGISLATURES

JOBS OUTLOOK DURING COVID-19

- University of Chicago reports:
 - For every 10 jobs lost, three have reopened
 - Project 32-42% of layoffs will remain permanent
 - 4 million workers received pay cuts
 - Disproportionate impact on lower-wage workers
 - Solution? Reallocation of jobs



COVID-19 Is Also a Reallocation Shock, University of Chicago, June 2020

The U.S. Labor Market During the Beginning of the Pandemic Recession, University of Chicago, June 2020

WORKFORCE OVERVIEW

- Job Training During Covid-19
- Rural Job Incentives
- Broadband
- Occupational Licensing
- Traditional Workforce Development Strategies
- Workforce Board Structure

STATE PANDEMIC JOB TRAINING RESPONSES

- Free Job Training Programs for Unemployed
 - [South Dakota UpSkill](#)
 - [Connecticut SkillUp](#)
- Connections to Job Openings
 - [Back to Work Rhode Island](#)
 - [Michigan Skills to Work Digital Hub](#)

Most states have dedicated federal CARES Act funds to job training and upskilling



OPPORTUNITIES FOR RURAL ECONOMIES

- 40% of workers can do their job remotely
- 90% of unemployment claims for jobs that can't be done remotely
- Young Americans are moving
 - Closer to family
 - Financial situations
 - School closures
- No hard data on urban flight, but polls and survey show strong interest

Vermont: Remote Worker Grant Program (2018)

- Incentivizes workers to move to rural Vermont
- Covers hardware, software, broadband, coworking memberships

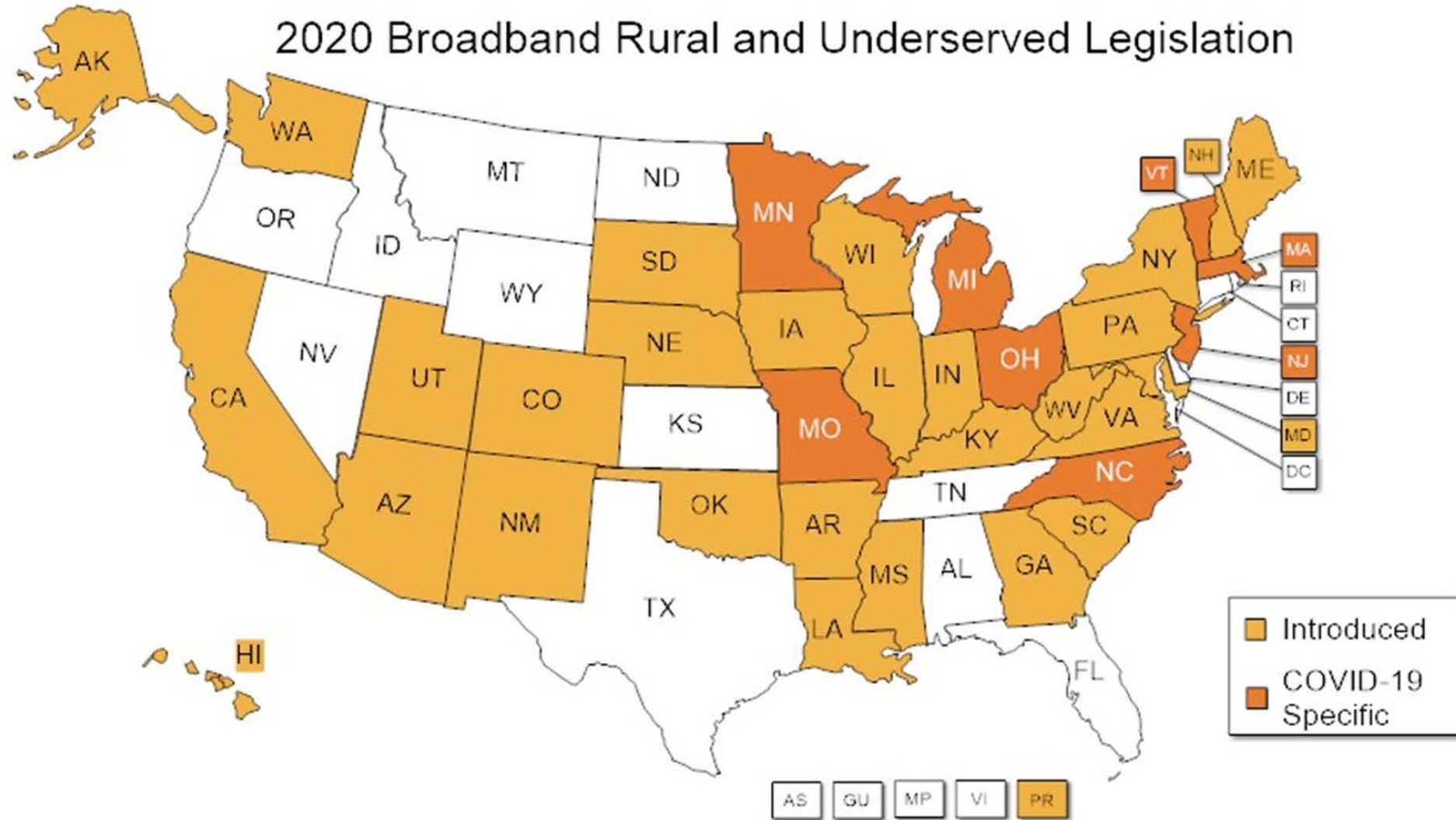
Utah: Rural Economic Development Incentive Program (2018)

- Incentivizes job creation in rural areas
- Similar programs in Colorado, Kansas, Missouri and Nebraska

[Boosting America's Rural Workforce LegisBrief](#)



2020 Broadband Rural and Underserved Legislation



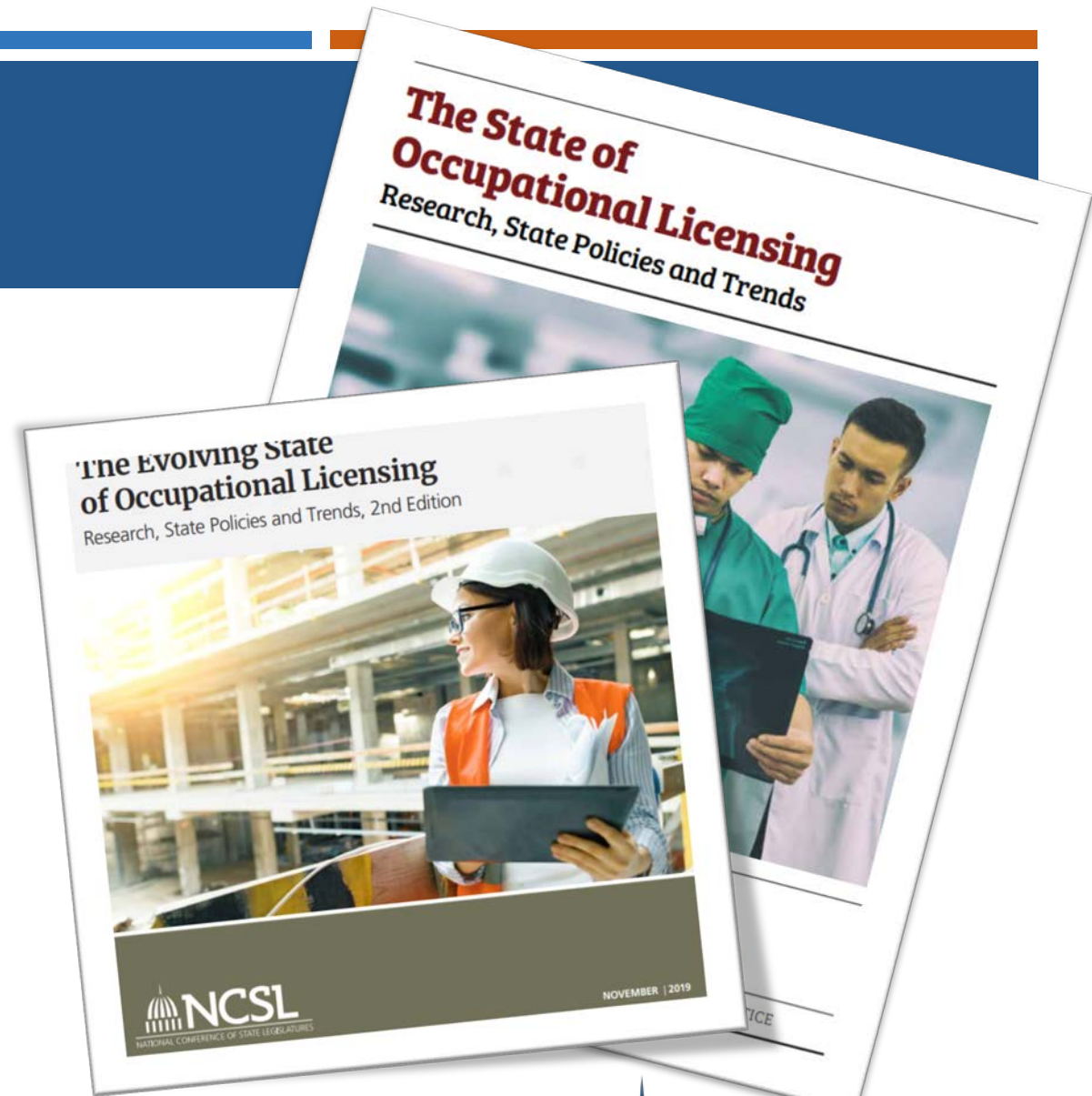


BROADBAND RESOURCES

- [Pew-How States Are Expanding Broadband Access](#)
- [Pew-State Broadband Policy Explorer](#)
- NCSL Broadband 2020 Legislation List:
<https://www.ncsl.org/research/telecommunications-and-information-technology/broadband-2020-legislation.aspx>
- State Actions on Coronavirus Relief Funds
<https://www.ncsl.org/research/fiscal-policy/state-actions-on-coronavirus-relief-funds.aspx>
(Select the Technology/Broadband category)

OCCUPATIONAL LICENSING

- NCSL engaged in four-year licensing project
 - www.ncsl.org/stateslicense
- All 50 states took action to ease licensing restrictions
 - Temporary suspension of licensing laws, healthcare and other essential workers
 - Licensing reciprocity
 - Temporary or emergency licenses
 - Waiving fees and exams
 - Pushing back renewal dates
- Emergency licensing orders are being extended



TRENDS IN WORKFORCE DEVELOPMENT

Workforce Systems:

- Studying current system
- Making improvements and recommendations
- 2019: Alabama, Arkansas, Connecticut

Incentives:

- Individuals to participate in programs
- Businesses to create programs
- Tax credits, reimbursements or financial

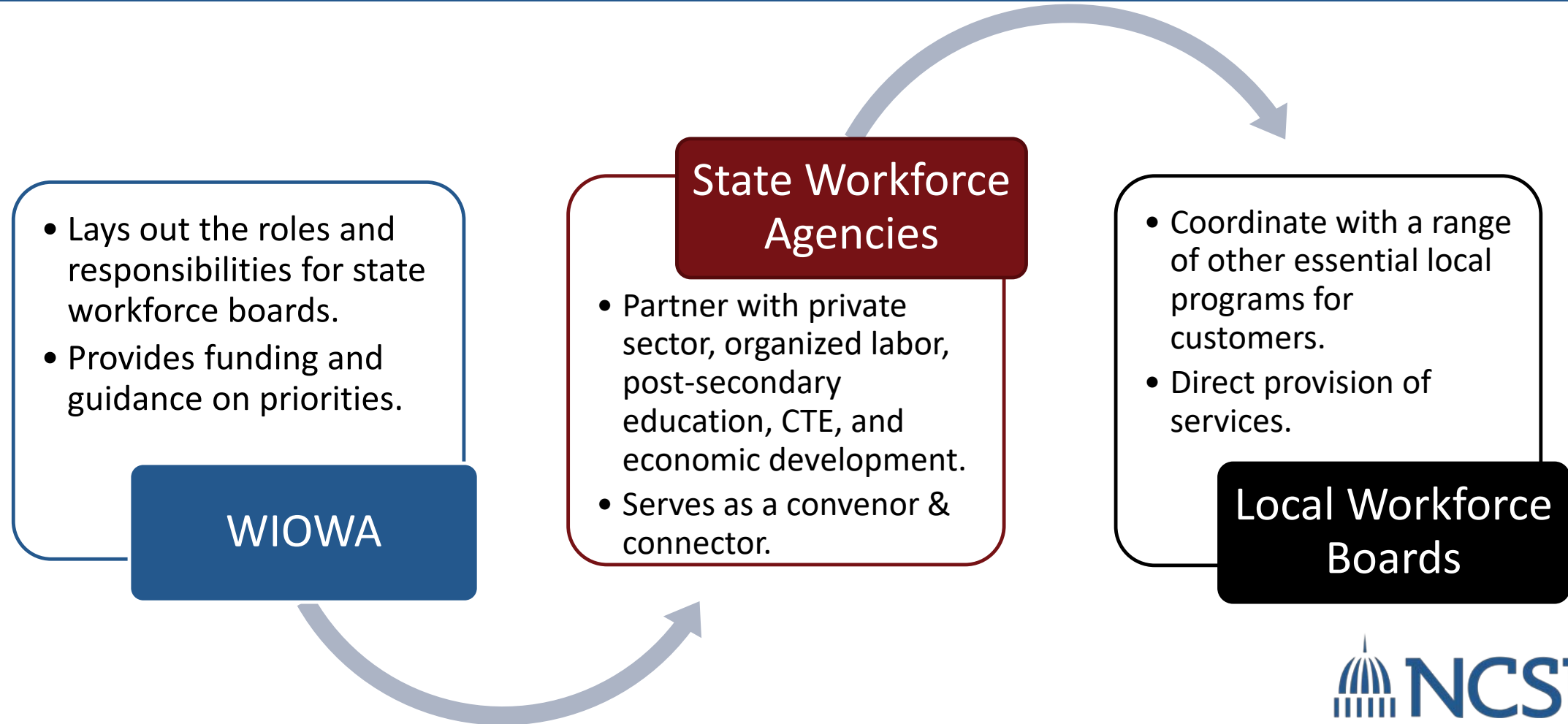
Targeting Specific Groups:

- Separating Servicemembers and Veterans
- Reentry Populations
- Diversify the Workforce

Apprenticeships:

- Alignment with DOL registered programs
- Industry specific programs
- New Mexico HB315, 2019

WORKFORCE STRUCTURES



STATE WORKFORCE BOARDS

- **Key components of WIOVA-compliant state boards:**
 - Diverse in representation (individuals, businesses, nonprofits).
 - Manages the state's one-stop system for both job seekers and employers.
 - Responsible for aligning federal investment in job training, integrating service delivery across programs and ensuring that the workforce system is job-driven.
 - Responsible for convening and connecting regional and local workforce providers.



Questions?

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More than any other year, states will benefit from coming together to map the way forward.

Join us **Sept. 15-17** for a three-day online experience like no other.