

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 (www.nmlegis.gov). 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

ORIGINAL DATE 2/26/19

SPONSOR Rubio/Martinez, J LAST UPDATED _____ HB 547

SHORT TITLE Workforce Clean Energy Economy Study SB _____

ANALYST Hawker

APPROPRIATION (dollars in thousands)

Appropriation					Recurring or Nonrecurring	Fund Affected
FY19	FY20	FY21	FY22	FY23		
	\$200.0				Nonrecurring	General Fund

Parenthesis () indicate expenditure decreases

SOURCES OF INFORMATION

LFC Files

Responses Received From

Economic Development Department (EDD)

Workforce Solutions Department (WSD)

SUMMARY

Synopsis of Bill

House Bill 547 appropriates \$200 thousand to WSD for expenditure in FY20 and FY21 for the purpose of studying and reporting by July 15, 2020 on the opportunities for and barriers to low-income and rural communities to transitioning to a clean energy economy.

WSD shall coordinate with relevant state agencies, the office of the governor, nongovernmental organizations and other stakeholders.

A final report shall be provided to the governor and presented to the appropriate legislative committee that addresses economic development issues by October 1, 2020.

FISCAL IMPLICATIONS

The appropriation of \$200 thousand contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY21 shall revert to the general fund.

WSD estimates updating the *New Mexico Green Jobs Report* will require one FTE for FY20 and FY21, costing \$100 thousand per fiscal year for a total of \$200 thousand. HB 547 appropriates \$200 thousand to WSD.

SIGNIFICANT ISSUES

In 2009, the Department of Workforce Solutions received a grant from the American Recovery and Reinvestment Act (ARRA) and the State Labor Market Improvement (LMI) Grant to gather baseline green jobs estimates and additional information on the green labor market. In 2011 WSD released the *New Mexico Green Jobs Report*, which measured and analyzed the green labor market, identified worker skills in green jobs, inventoried and assessed available education and training programs, and evaluated the federal and state investments that encourage future growth in the green economy.

To write the *New Mexico Green Jobs Report*, WSD worked with other relevant state agencies to study the opportunities for and barriers to transition to a clean energy economy. NMDWS also studied the education, job training and workforce development resources of clean energy economy.

HB 547 directs WSD to study and report on the opportunities for and barriers to a clean energy economy in low-income and rural communities in:

- solar, wind, solar thermal energy generation and other renewable energy resource generation;
- expanding contracting for local small businesses in disadvantaged communities;
- low-income individuals and communities accessing energy efficiency and weatherization programs, with special consideration given to disadvantaged communities;
- participation in outdoor recreation and public lands preservation.

EDD observes HB 547 focuses on low-income and rural communities. The study could be more informative by including a statewide study that includes urban communities as well.

VKH/sb/gb