VIA ELECTRONIC MAIL ONLY

NM Higher Education Department 2044 Galisteo Street Suite 4 Santa Fe, NM 87505

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Dear NMHED Secretary Rodriguez,

We are writing in support of the New Mexico Higher Education Department's proposed new rule 5.9.2 NMAC— N.M. Workforce Training Economic Support Pilot Program —and to provide context to the proposed new rule. We are also recommending revisions to the proposed new rule, including definitions, in order to reflect the broader language of the controlling statute.

I. Proposed new rule 5.9.2 NMAC— N.M. Workforce Training Economic Support Pilot Program

According to the Department, the purpose of the new rule is to establish rules and procedures for the N.M. Workforce Training Economic Support Pilot Program established by NMSA § 9-25-14 (2024). The objective of the pilot program is to provide fixed monthly stipends to students in adult education programs who are also practicing in integrated education and training programs, known as IETs and other workforce training programs. The purpose of the stipends is to support the completion of the IETs and other workforce training programs by reducing financial barriers to completion and to assist in the transition to employment in the occupation or occupational cluster addressed by the programs.

A. Context leading to creation of the N.M. Workforce Training Economic Support Pilot Program

We applaud the state's efforts to implement this necessary rule change which will lead to more state residents participating in IETs and other workforce training programs. Providing economic support, including monthly stipends, will serve as a critical tool to ensure participants, many from underserved and disadvantaged populations, successfully complete the workforce training programs.

Currently, the State of New Mexico needs about 40,000 additional workers between the ages of 20 to 54 working or looking for work to meet the national average for labor force participation. New Mexico's low labor force participation rate—one of the lowest in the nation—is part and parcel of many negative social indicators present in the state—low per capita income, low literacy & numeracy skills within the population, and high reliance on public benefits. The New

¹ N.M Legislative Finance Committee, "Program Evaluation: Improving New Mexico's Workforce Participation," April 17, 2024.

Mexico Legislature has intentionally expanded the number of workforce training programs or nearly doubled the funding to these programs because of the relatively low labor force participation rate with the aim to improve many of these social ills.²

The pilot program and the proposed new rule will undoubtedly reach New Mexicans who are disengaged from the labor force, who left or never enrolled in traditional high school nor sought a high school equivalency credential because their academic needs were not being met by their local educational institutions, or who do not attend job training programs because of family, work, and financial obligations.

The pilot program targets New Mexicans who qualify as "indigent" by experiencing one of eleven barriers within their lives, such as low literacy, low level of English language proficiency, being low-income or long-term unemployed to name a few.

This proposed new rule will provide more workforce training opportunities to New Mexicans who are considering pursuing a workforce certificate program and would not be able to complete their program without economic support, such as a monthly stipend.

Somos Un Pueblo Unido (Somos), founded in 1995, organizes low-wage workers and immigrant families across New Mexico to advocate for policies that create economic opportunities for low-income communities and frontline oil and gas workers in the Permian Basin region.

Our insights regarding the barriers to workforce training for difficult-to-reach and disadvantaged workers (rural, immigrant, low wage, and women workers) are based on community dialogues with Somos members in Santa Fe, Eddy, Chaves, Lea, San Juan, and McKinley counties, regional workforce boards, workforce training providers, and 2024 reports by the University of New Mexico's Center for Social Policy on the southeastern New Mexico oil and gas workforce and immigrant childcare workers.

This research indicates two of the greatest obstacles to workforce training programs are the lack of support services and funds for childcare, transportation, equipment, and housing AND long, inflexible work schedules due to low wages and rising living and housing costs. This pilot is meant to provide the financial relief needed for low-income workers to attend training programs.

B. The language of the proposed rule 5.9.2 NMAC should reflect the broader language within the statute.

According to the controlling statute, the workforce training program is described as a three-year pilot to allow the Department to use "money appropriated to the Department to pilot and evaluate the expansion of integrated basic education *and skills training programs*." (emphasis added.)

Likewise, the stated purpose of NMSA § 9-25-14 (A)(1) reads as followed:

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² LFC Hearing Brief, Human Capital, Sept. 17, 2024.

"Demonstrate that the state can measurably increase access to living wages jobs, thereby meeting the state's needs for jobs in high-demand industries and fields and reducing poverty, increasing financial stability, and lowering dependence on government services for participants by providing ongoing economic support through monetary stipends during the period in which those participants are enrolled in and attending certain department- approved *workforce training programs;*" (emphasis added.)

The statute states the goal of the monthly stipend is to "cover the costs associated with basic living needs, including housing, food and transportation, and the costs associated with enrolling in and attending a *workforce training program*." (emphasis added.)

The clear language of the statutes not only contemplates the expansion of IETs but also other kinds of "skills training programs" or workforce training programs. Further clarification is provided within the legislation's definitions, which were codified in NMSA § 9-25-3.1, where "workforce training program" is defined as:

"A training or educational program or other work-based learning program accredited by a state institution of higher learning, that, upon successful completion by a participant will earn a certification, license or credential or will have acquired specialized qualifications or skills recognized within an industry or field as appropriate to obtain employment in that industry or field."

Since the statutory language and the legislative intent are not limited to IETs, the corresponding rules should also include other types of workforce training programs sponsored by the Department. Therefore, we recommend the language of the proposed rule be broadened throughout the section to include "workforce training program" or similar phraseology to indicate the allowable training programs go beyond IETs.

The proposed rule's Objective section under NMAC 5.9.2.6 should read as follows:

The objective of the pilot program is to provide fixed monthly stipends to students in adult education programs who are also participating in integrated education and training (IET) programs or *other workforce training programs approved by the Department* by reducing financial barriers to completion and assisting in the transition to employment in the occupation or occupational cluster addressed by the IET or *other workforce training programs*. The amount of the stipend is \$1,000 per month while the participant is enrolled in an adult education program or *other workforce training programs within the Department*, for a duration not to exceed 12 months.

Similarly, we recommend the definition "pilot program" or "program" within NMAC 5.9.2.7 (f) should read as follows:

"Pilot program" or "program" means the workforce training economic support pilot program which is a three-year study by the Department to evaluate the expansion of IET programs and *skills training programs*.

Other sections of the proposed rule where "skills training programs" should be added to adhere to the legislative intent and consistency are:

- 1.) 5.9.2.8 (A) NMAC under Administration;
- 2.) 5.9.2.9(A)(1) & (5) NMAC under Student Eligibility:
- 3.) 5.9.2.10 under Selection of IET Programs;
- 4.) 5.9.2.11(A) under Agreement, and
- 5.) 5.9.2.12(A) under Continued Eligibility and Program Limits.

For the above-mentioned reasons, we support the Department's proposed new rule or 5.9.2 NMAC for the N.M. Workforce Training Economic Support Pilot Program with the proposed revisions included herein. We appreciate the opportunity to submit this comment and recommendation.

Sincerely,

//s// Gabriela Ibañez Guzmán//

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