

State Workforce Development Board Meeting

Minutes

When: June 3, 2021, 10:00 AM Mountain Time (US and Canada)

<https://zoom.us/j/96835097740?pwd=N2lDcTRUOVRLUkFrcmwyMEs4eHdDQT09>

Passcode: a6zs5Z

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+1 312 626 6799

Webinar ID: 968 3509 7740

Passcode: 758930

Meeting called to order: (10: 09 a.m.) Tracey Bryan, Board Chair

Roll Call: Roll was called, and quorum was met.

Attendees:

Tracey Bryan, Board Chair
Secretary Ricky Serna, NMDWS

Ezra Spitzer

Senator Michael Padilla

Joshua Orozco

Director Greg Trapp, Commission for the Blind

Carlos M. Romero

Nancy N. Sauer

Mathis Shinnick

Mark Lee

Representative Roger Montoya

Johannius Chemweno

Bryn Davis

Dale Dekker

Tiffany Bretz

Daniel Schlegel, Governors Office

Mark Chisolm, Higher Education Department

Debra "DJ" Heckes

Absent:

Mayor Victor Charles Snover

Councilor Gill Michael Sorg

Deborah L. Moore

Bobby Ehrig

Vince Alvarado

Deputy Secretary Gwen Perea-Warniment,
Public Education

Joanna M. Anaya

Carla Kugler

John Rockwell

Philip Ingram

Deputy Secretary Angela Medrano, NMHSD

Deputy Secretary Jon Clark, Economic Development

Minutes

Welcome, Introductions, and Opening Remarks (Agenda Item I): Tracey Bryan

Board Chair introduced new board members: Mark Lee, Joshua Orozco, Representative Roger Montoya and Tiffany Bretz

Board Chair reminded board members of virtual meeting protocols; with specific instructions to avoid using chat feature for board discussion.

Board Chair provided instructions to approval of agenda (Item II). If there are no recommendations to change agenda order and/or deletion of agenda items, the agenda will be approved as written and posted with no vote needed.

Agenda Item II: Approval of the Agenda

Approval of possible changes to the agenda order and deletion of agenda items.

Action:

No vote needed. There were no recommendations for changes to the agenda order or deletion of agenda items.

Agenda was approved as written and posted.

Agenda Item III: Approval of Minutes

Motion to approve Regular Board Meeting April 1, 2021 Minutes

Action:

Motion to approve the minutes of the Regular Board Meeting for April 1, 2021: Nancy Sauer

2nd the Motion: Bryn Davis

Vote: Votes was taken with a virtual roll call vote.

Affirmative Vote:

Tracey Bryan, Board Chair
Secretary Ricky Serna, NMDWS
Ezra Spitzer
Senator Michael Padilla
Joshua Orozco
Director Greg Trapp, Commission for the Blind
Carlos M. Romero
Nancy N. Sauer
Mathis Shinnick

Mark Lee
Representative Roger Montoya
Johannius Chemweno
Bryn Davis
Dale Dekker
Tiffany Bretz
Daniel Schlegel, Governors Office
Mark Chisolm, Higher Education Department
Debra "DJ" Heckes

Nay Responses: None

Affirmative Acceptance: Unanimous

Meeting Minutes of Regular Board Meeting, April 1, 2021 were approved with unanimous vote.

Agenda Item IV: Business Engagement

Business Engagement Committee Chair, Johannius Chemweno, provided a presentation and update on the committee's progress to better understand business engagement on a macro level, align business metrics for comprehension of how to accurately engage with the business community, align business committee's base metrics from a state standpoint and engagement strategy. The presentation elaborated on understanding the definition of business engagement from a workforce development perspective and distinguishing employers as partners, not customers. The committee will look to bring in guest speakers to the committee and align various metrics to better understand the partnership between the local boards and the businesses in the respective regions; allowing the committee to provide recommendations to the state board.

NMDWS Deputy Secretary Yolanda Montoya-Cordova gave an update on the National Governor's Association (NGA). She announced that New Mexico was one of nine states selected for a peer learning community that would aid in problem solving and access additional national resources and tools. The award from NGA allows NM to focus on a statewide marketing campaign focused on getting people back to work, post pandemic. The back to work efforts includes an 800-call line that connects job seekers and employer with a career advisor. More importantly, the effort also includes a partnership with NM Higher Education Department in a Request for Application (RFA) process that provides funding to public and tribal institutions to start up short term training programs in in-demand occupations, as well as training aimed at upskilling individuals for employment.

WIOA Program & Operations Manager, Margarito Aragon, provided an update with the On-the-Job Training (OJT) waiver that is being proposed to USDOL. Currently, the OJT program allows the state to reimburse employers:

- < 50 employees up to 75% of wages
- 50 + employees up to 50% of wages.

The waiver proposal would be a short term waiver (1-2 years) that will allow the state to reimburse employers:

- < 50 employees up to 90% of wages
- 51-250 employees up to 75% of wages
- > 250 employees up to 50% of wages

It is anticipated that USDOL will respond to the waiver within 30 days of request. The request is expected to be submitted the week of May 31st, after the submission process is finalized.

Discussion topics:

- Deputy Secretary Montoya-Cordova responded to Rep. Montoya regarding serving non-profits organizations in rural areas that provide in-demand occupations (i.e., Healthcare, Public schools, public institutions, etc.) and noted support is provided and allowable.
- Board Member Shinnick responded to the business engagement presentation with advisement of a collaborative efforts among other IT employers in the state to deliver a broadband initiative, as directed by the Governor's office, to develop the workforce needed to deliver broadband to rural areas.

Action:

No action required. Discussion only.

Agenda Item V: NM Department of Workforce Solutions Updates

Secretary Serna provided an update that the Governor's office is continuing their search efforts for a permanent replacement for cabinet secretary. During the replacement process, the agency will be addressing the following critical priorities:

Unemployment

1. Unemployment fraud detection: Collaboration with fraud specialists from NM Taxation and Revenue Dept. (TRD) and Human Services Dept. (HSD) to provide strategies and tactics for identifying fraud before claims are process and payments made.
2. Mitigation: Minimize the workflow associated with fraud detection and automation of manual processes.
3. Prosecution: Increasing partnership with USDOL and Inspector General for prosecution and recovery of fraudulent funds.

Call Center Operations

Enhance and strengthen the current operations; utilizing different processes to identify and address claim issues for claimants, thus allowing benefits to commence or continue without any further call backs. Additionally, looking for alternative solutions of call overflow to secondary call center.

Overpayment of Benefits

Current balance of overpayments at \$113 M, 70% of that balance involves applicants in the Pandemic Unemployment Assistance (PUA) Program for self-employed and gig economy workers; and \$25 M for Standard Unemployment Insurance (STUI).

The 2021 unemployment employer tax rate is being re-evaluated for compliance and accuracy, with employers being notified of their new tax rates in May 2021. Approximately 9,000 employers recognized a rate decrease, 2,000 employers had a rate increase, and approximately 60,000 employers remained the same.

Return to Work

In May 2021, work search waivers were lifted by the agency, requiring claimants to provide work search activities and allow audits to be conducted to confirm claimants are actively looking for employment. The department is also providing employers a path to report individuals who refuse suitable work and receiving unemployment benefits.

Billboard promotion of 1-800 number available for individuals to contact career consultants for upskilling and training opportunities for finding work is also underway.

Action:

No action required. Discussion only.

Agenda Item VI: Transformation Committee

Agenda item was opened with public comment by Steve Duran, WIOA Administrator, Southwestern Area. Mr. Duran informed the board of the opposition by the Commissioners, Mayors and President of Alamo Navajo Chapter of Socorro County of the NMAC draft as proposed to the board and the current draft does not properly reflect the entire representation of elected officials in the region. Requested the Board discuss the public comment submitted by the Southwestern CEOs to allow the current format of various elected officials to serve as CEO's.

Committee Chair Daniel Schlegel provided an update to board on providing information to and answering questions from the Governor's office on the Committee recommendation on Designation transformation. The committee will convene an outreach effort with the four local workforce areas to discuss a path moving forward beginning in summer of 2021.

Deputy Secretary Montoya-Cordova presented the final draft of NMAC 11.2.4, Governance and Planning Regions, clarifying the definition of Chief Elected Official as proposed to specify County Commissioners will be designated as CEOs for their representing areas. A Federal facilitator, in partnership with NMDWS, provided technical assistance to WIOA Local Areas in three training sessions to CEOs. NMDWS has hired an individual to become a Local Area & CEO Liaison, for support and continued technical assistance.

Discussion:

- Rep. Montoya commented on his concern of the NMAC language proposal identifying County Commissioners as the voting representatives for the respective counties, without Mayors and other elected officials' voices being heard. Deputy Secretary Montoya-Cordova responded with clarification of the CEO definition and emphasized that other elected officials (Mayors, City Officials, Tribal Presidents, etc.) would have a voice in county decisions with a caucus of all officials involved in the county.

Action:

Motion to open discussion of Transformation Committee Update: Debra Heckes

2nd the Motion: Nancy Sauer

Motion to approve proposed NMAC 11.2.4, Governance and Planning Regions: Bryn Davis

2nd the Motion: Debra Heckes

Vote: Votes was taken with a virtual roll call vote.

Affirmative Vote:

Tracey Bryan, Board Chair
Representative Roger Montoya
Ezra Spitzer
Mathis Shinnick
Joshua Orozco
Director Greg Trapp, Commission for the Blind
Carlos M. Romero
Nancy N. Sauer

Mark Lee
Debra “DJ” Heckes
Johanniuss Chemweno
Bryn Davis
Dale Dekker
Tiffany Bretz
Daniel Schlegel, Governors Office
Mark Chisolm, Higher Education Department

Nay Responses: None

Affirmative Acceptance: Unanimous

No Vote Casted: Secretary Ricky Serna, NMDWS, Senator Michael Padilla

Motion was approved to approve NMAC 11.2.4, Governance and Planning Regions proposal, as written, by unanimous approval.

Agenda Item VII: WIOA Title I & Title III Performance Presentation

WIOA Program & Operations Manager, Margarito Aragon gave a presentation on LWDB data and performance metrics for Title I & Title III for PY 2021 (YTD), business engagement, and fiscal expenditure update. The presentation also provided the WIOA budget to the local areas for PY 2022.

Agenda Item VIII: Public Comment

Southwestern Area Administrator, Steve Duran, gave a public comment recommending a collaborative effort of the SWDB and all Local Areas for program success moving into PY 2022.

Meeting Adjournment at 12:17 p.m.