

Break-out Room #1 - To address the challenge of insufficient skilled workers

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Specific Strategies from New Mexico Chamber of Commerce "Driving New Mexico's Future: Empowering a Competitive Economy in a Post-Pandemic World":

Increase the overall labor pool for employers

1. Create and fund a talent recruitment outreach program to attract young professionals
 - Begin with a social media audit. A social media audit includes a review of what state residents and others are posting about the state across multiple digital platforms (Twitter, Facebook, YouTube, Instagram, and others). After evaluating current New Mexico digital themes, develop a strategy to optimize the state's social media profiles, deliver strategic messages, engage influencers, and support economic strategies.
 - Focus media outreach to metropolitan areas in close proximity including Denver, Oklahoma City, Dallas, and Phoenix.
 - Emphasize New Mexico's diversity, climate, outdoor recreation, affordability and job opportunities in new technology sectors (alternative energy, space).
2. Ask the legislature to explore the creation of one or more targeted incentive programs to attract professionals with the skills needed in the state's targeted industries
 - To address the lack of specialized skills, consider a program patterned after Oklahoma's Aerospace Industry Engineer Workforce Tax Credit program that began in 2009, providing state tax credits for five years to the company that hires aerospace engineers, and to the engineers themselves. In the program's first six years it helped attract over 4,200 aerospace engineers with average wages of \$80,000 annually, generating approximately \$287 million in total wages. The number of engineering degrees conferred by Oklahoma colleges and universities also increased 57 percent over the period. In 2018, Oklahoma created a similar Automotive Engineer Workforce Tax Credit for automotive engineers and the companies that hire them. This tax credit was expanded in 2019 to include parts suppliers and makers of all types of vehicles.

An additional program should be created to attract new residents and remote workers interested in living in small towns and rural parts of the state that are facing population decline.

- Vermont will reimburse up to \$7,500 in moving expenses for those who move into the state to live and work there full-time, under the New Worker Relocation Grant Program, adopted by the state legislature in 2019. During the first three quarters of 2020, a total of \$227,000 was awarded to 51 recipients. The average age of awardees was 32, and recipients moved to Vermont from 21 different states. In 2019, Vermont operated a Remote Worker Grant Program for those who moved into the state but who worked

remotely for an out-of-state employer. The program paid individuals up to \$5,000 a year for two years

3. Adopt the Arizona model of recognizing out-of-state occupational licenses, making it easier for people to move into the state and begin working quickly.
 - At the beginning of 2020, only Arizona, New Jersey, Montana, and Pennsylvania allowed individuals with out-of-state licenses to transfer a valid occupational license and practice in their states, with only minor limitations.
4. Provide a specific state income tax exemption for military retirement pensions
 - In WalletHub's 2020 rankings, New Mexico was ranked as the 30th best state for military retirees, an improvement over previous rankings but still trailing all neighboring states with Oklahoma (12th), Utah (15th), Kansas (16th), Texas (19th), and Arizona (28th). Different rankings have different criteria, but New Mexico needs to attract and retain more highly-trained military retirees.
 - Across America, 21 states fully exempt military retirement pay from state income tax (in addition to those states with no state income
5. Create scholarships for first-generation college students

A scholarship program targeted at New Mexico children who are the first in their families to attend higher education can help expand opportunities to those currently unable to attend college.

- The Florida Department of Education partners with private donors to provide first-in-family scholarships to students whose parents do not possess a bachelor degree or higher. The First Generation Matching Grant Program provides need-based scholarships to Florida residents going into undergraduate programs at two-year and four-year public colleges and universities in the state. In 2019-2020 the program issued \$15.9 million in grants impacting 10,900 first-generation students.
6. Target workforce training and job placement for to ex-offenders
 - In Indiana, The Hoosier Initiative for Re-Entry (HIRE) started in 2012 and is run by the state's Department of Corrections and the Department of Workforce Development. The HIRE model prepares inmates with a felony conviction in three areas:
 1. Hiring process skills, workplace readiness training, and financial literacy.
 2. Outreach to area businesses for job placement.
 3. Coordination with support organizations that can assist with clothing, housing, and transportation

A mentor works with each HIRE participant for one year after an initial job placement. In a recent year, the HIRE program placed over 2,200 ex-offenders in jobs, with a three-month retention rate of 97 percent. Participants also have lower recidivism rates. In

2018 the Indiana HIRE program won a national award from the National Association of State Workforce Agencies.

Improve the number of workers with work readiness skills and in-demand middle skills

7. Replicate Arkansas and South Carolina's Be Pro Be Proud, a program designed to change high school students' and parents' perceptions about technical careers in manufacturing, construction, transportation, energy, and utilities. In both states, the centerpiece is a Mobile Workshop that travels to all high schools around the state.
8. Create a Grant Tuition Program for community college students pursuing a degree in a STEM field that agree to remain in New Mexico for a specified number of years.

In Arkansas, the Arkansas Future Grant program provides up to five semesters of tuition grants for STEM majors pursuing an associate degree. Recipients must work in Arkansas for three years after graduation, or the grant becomes an interest-bearing loan.

9. Promote more statewide participation in ACT's Certified Work Ready Communities Program

Across America, nearly five million people have obtained ACT's National Career Readiness Certificate. In New Mexico, only three counties are participating in ACT's Certified Work Ready Communities (CWRC) program to improve middle-skill career readiness and help individuals earn the certificate. In 2016 a line item in South Carolina's state budget helped more counties to achieve CWRC status, and that year South Carolina became the first state in the U.S. to have every county designated as a Certified Work Ready Community.

Extend opportunity to underserved communities and populations