

**New Mexico Job Training Incentive Program, JTIP**  
**Policy Amendments for FY2021**  
**Effective July 2020**

The JTIP board meets annually to collect input from companies, economic development partners and the public regarding recommended changes to JTIP policies and procedures. The following is a summary of the substantive changes the JTIP board adopted for FY2021. New policy is in ***bold italic*** text below. In addition, the board elected to implement several procedural guidelines for FY21 to address setbacks some companies might experience due to COVID-19.

**REIMBURSABLE EXPENSES**

In November, 2019 the board amended policy to update the wage charts for fiscal years 2021-2024, gradually increasing the wage thresholds and related training hours to align with the increases in the statewide minimum wage. That policy amendment included an allowance for the board to uphold the current FY2019-20 wage requirements for companies that are also engaged with the NM EDD in a Local Economic Development Act project to maintain the wages and related training hours through December, 2020. At the May policy hearing the board elected to extend the allowance for subsequent years through FY2024.

***For fiscal years 2021-2024, the JTIP board may maintain wage requirements effective in the first year of JTIP approval for the length of the job ramp within the PPA for companies that are also engaged in a LEDA agreement with the Economic Development Department provided the company meets job creation requirements within that period and wages do not fall below the statewide minimum wage.***

**ADDITIONAL REIMBURSEMENT ABOVE STANDARD RATES**

In current policy, companies have the opportunity to receive additional wage reimbursement above the standard rates if the trainees meet certain criteria. If the trainee is a U.S. Veteran, or has graduated from a NM Higher Education Institution within one year the company may receive an additional 5% reimbursement above the standard rate.

***The board elected to include trainees who have graduated out of the NM Foster Care System as one of the criteria eligible for an additional 5% reimbursement above the standard rate. This is effective for two years, at which time the board will assess the utilization and success in order to determine whether to sunset, extend or make it a permanent policy item.***

## TRAINEE ELIGIBILITY

In current policy, trainees who have been employed by a company previous to board approval are not eligible for reimbursement. The one exception to this rule is for interns who have temporarily worked for the company in an academic or work-based training program previous to board approval.

***The board elected to include apprentices in this exception. For the purposes of JTIP eligibility, the board will define Apprentice as an individual who has participated in a work-based training program through the NM Department of Workforce Solutions with the participating JTIP company.***

## JOB ELIGIBILITY

In current policy, eligible positions are those directly related to production or delivery of service. Companies may request funding for non-production (administrative, marketing, sales, IT, etc.) at a 4 to 1 ration. Rural companies with fewer than 20 employees may include production-related jobs claimed on previous JTIP projects in the calculation when applying for non-production jobs on subsequent JTIP applications.

***The board elected to make this allowance for all companies with 20 or fewer employees, regardless of location. A limitation to go back two years when making the calculation was also included in the new language.***

## PROCEDURE

EDD and JTIP are taking steps to address setbacks that JTIP companies may encounter due to the COVID-19 health emergency. Several procedural adjustments were put in to place on March 13, 2020. The board has elected to adopt the following procedural adjustments through FY2021 in order to support companies during this time and into recovery, and to afford them the opportunity to receive greatest benefit possible from their JTIP projects.

1. JTIP companies that are still within the 6-month hiring period and have suspended their hiring plans, may be allowed to extend the hiring period and therefore the project period, by the length of time the Governor's order was in effect. If the company deems it necessary to postpone hiring for a longer period, JTIP staff will work with the company on a re-application at the appropriate time.
2. If a JTIP company has to temporarily reduce hours of operation during the time the Governor's order was in place, part-time hours worked by JTIP trainees may be eligible for reimbursement.
3. If a JTIP company allows trainees to telework, the hours worked may be counted toward the JTIP training hours.
4. For FY2021, the expansion requirement for all companies will be that the headcount at the time of application is at least at or above the two-year average headcount.
5. Note: Current policy addresses lay-offs and may be relevant in the event a company is forced to temporarily close and lay-off employees due to COVID-19. The following existing JTIP policy may apply:

- a. If a JTIP eligible trainee is laid-off during the training period and is subsequently rehired within four months by the same employer, the trainee may be treated as a new hire and thus remains eligible for the remaining training hours.