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## Job Training Program Amends Rules to Help Small Businesses

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For 42 years, New Mexico's Job Training Incentive Program has reimbursed qualified companies for some training costs associated with job creation. The program funds a portion of classroom or on-the-job training, reimbursing an expanding or relocating business for up to 75 percent of a trainee's wages for as long as six months.

The funding aims to help companies that manufacture a product in New Mexico, export a substantial percentage of services out of state or are considered a "green" industry. Eligible workers must be new hires holding full-time year-round jobs in businesses that are expanding in — or moving to — New Mexico.



While the program's core principles haven't changed much since its creation, some policies have evolved to meet business needs. This year's amendments, enacted by the JTIP board of directors, take effect July 1. They include:

- Changes in eligibility and wage requirements for intern positions designed to make the program more appealing to companies and increase business participation. The board removed a requirement that companies pay at least twice the state minimum hourly wage in urban locations and \$10 per hour in rural areas. Feedback from companies and economic development partners indicated the wage requirements enacted last year were significantly higher than the going rate for interns and thus were restrictive.
- A requirement that contract-based call centers meet or exceed the local entry-level wage for the industry based on current occupational employment statistics wage data from the state Department of Workforce Solutions Economic Research and Analysis Bureau. These centers also must offer employees and their dependents health insurance coverage and contribute at least 50 percent of the employee premium for enrollees.
- A change in the rule that allowed one in 10 new jobs to be unrelated to production; the new rule allows one in five employees to hold nonexecutive support positions. Small rural companies and startups, which typically do not hire nine new positions in one JTIP project and often need a human resources or financial manager early on, requested a reduction in the ratio of production to nonproduction jobs.

Another change affects JTIP's affiliated Step-Up program, which helps companies train existing

workers in new technologies or skills and prepare them for promotion. Starting in July, training for the quality management systems ISO 9001 program will be offered under Step-Up at no charge to help qualifying companies become more efficient and competitive. The training will be run by the Economic Development Department with JTIP training funds.

JTIP got a boost this year when the Legislature decided to appropriate permanent funding for a portion of its budget. The program received \$500,000 for the new fiscal year, with an additional \$1 million earmarked through a special appropriation. The program has long sought a consistent funding level to provide greater certainty to economic developers and companies considering expanding or starting in New Mexico.

To receive JTIP funding, companies must submit a written proposal to the Economic Development Department and be approved by the JTIP board before hiring employees. See [www.gonm.biz](http://www.gonm.biz) for details.

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