



EDD

ECONOMIC DEVELOPMENT DEPARTMENT

Job Training Incentive Program (JTIP)

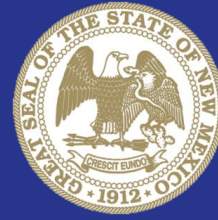
FY 2025



JTIP Goals

- Support growth of economic base businesses in New Mexico
- Assist in job creation
- Provide employment and skill development opportunities for New Mexico residents

How does JTIP benefit companies?



- JTIP reimburses qualified companies for a portion of expenses associated with training new employees in newly created jobs.
 - Wages
 - Customized training at New Mexico educational institutions
- JTIP eligibility opens up eligibility for the High Wage Job and Rural Job tax credits.



What is the Reimbursement amount

- Base wage reimbursement percentages range from 50% to 75%, depending on the business location, and trainee residency.
- The number of training hours reimbursed are determined by the complexity of the job and the wage, and range from 320 to 1040 hours (two-six months).
 - Training hours are initial hours on the job as the trainee becomes proficient in his/her job.

Base Wage Reimbursement Percentage



Urban Albuquerque, Las Cruces, Los Alamos, Rio Rancho and Santa Fe	50%
Rural < 60,000	65%
Frontier <ul style="list-style-type: none"> ▪ Population <15,000 outside MSA Economically disadvantaged <ul style="list-style-type: none"> ▪ High unemployment Tribal Land Federally designated Colonias in New Mexico	75%
Additional reimbursement for wages that align with the High Wage Jobs Tax Credit	5%
*Additional reimbursement for one of the following: <ul style="list-style-type: none"> ▪ Recent graduate from New Mexico institution of higher education ▪ U.S. Veterans ▪ Graduate from New Mexico Foster Care System 	5%
The percentage of wages reimbursed for high-wage positions filled by trainees who do not meet the one-year residency requirement is unique and not subject to any additional wage reimbursement above the standard rate.	30% Urban 40% Rural 50% Frontier

Base Wage Reimbursement Percentage



<p>JTIP approved employers that utilize business support services through the recognized New Mexico Workforce Connection offices across the state or through other independent human resource support service providers that help small businesses develop successful recruitment strategies to grow and retain their workforce may be eligible for an additional 5% wage reimbursement above the standard rates.</p> <p>Independent human resource support services are third-party services other than staffing agencies and professional employment agencies (PEO's), used by businesses to complement existing HR processes or to fill the gap when a business completely lacks HR personnel or capabilities. HR support services include, recruiting and retention strategies, interviewing effectiveness training, job description and training plan development, skills assessment tools, salary benchmarking, fostering company culture as well as organizational and employee data management, and activities in learning & development.</p>	<p>5%</p>
<p>The percentage of wages reimbursed for high-wage positions filled by trainees who do not meet the one-year residency requirement is unique and not subject to any additional wage reimbursement above the standard rate.</p>	<p>30% Urban 40% Rural 50% Frontier</p>
<p>For companies that hire remote workers, the reimbursement percentage for the remote employee shall be associated to the location of the employee. Urban companies must also offer the remote workers that reside in a rural or frontier location a wage that is consistent with the urban location. Conversely, a rural or frontier company that hires a remote worker from an urban location, the reimbursement percentage will be linked to the urban location and must also meet the minimum entry wage requirement respective to the O*NET job zone for an urban location in order to qualify for the hours of training assigned to that job zone.</p>	<p>50% Urban 65% Rural 75% Frontier, Tribal Land, Federally Designated Colonias</p>

O*NET Job Zones



Job Zone	Definitions	Hours	Min. Wage @ Hiring-Urban	Min. Wage @ Hiring-Rural	Days	Weeks
1	Little or no preparation needed	320	15.50	13.18	40	8
2a	Some preparation needed	480	17.00	13.68	60	12
2	Some preparation needed	640	18.50	14.18	80	16
3a	Medium preparation	800	20.00	15.68	100	20
3	Medium preparation	960	21.50	16.68	120	24
4	Considerable preparation needed	1040	24.50	17.68	130	26
	Align with High Wage Jobs Tax Credit		28.85	19.23	130	26

What types of businesses are eligible?

- Businesses which increase the economic base of the state:
 - Manufacturers
 - Business service providers with at least 50% income from customers out of state
 - Certain “green” businesses

Qualified Businesses Must be Expanding



- Expanding businesses include:
 - Companies relocating to New Mexico
 - Existing companies which are at or above two-year employment average and adding new jobs
 - Start-Ups

Qualified Businesses Must be Financially Viable



- Three years' financials (Balance Sheet, P&L, Statement of Cash Flow, Term Sheets, Sales Projections)
- Start-Ups and Early-Stage Manufacturers
 - Must demonstrate sufficient working capital to cover burn rate for 2-3 years.
 - May be in transition from R&D to commercialization
 - Additional financial documentation will be requested
 - Business Plan, pro forma financials
 - Actual Financials available to date
 - Sales projections
 - Evidence of signed contracts or PO's
 - Evidence of access to capital
 - Letters of intent, term sheets—investors
 - Line of Credit

What types of businesses are not eligible

Businesses which are not economic-base or are not classified as “green industries” are not eligible. These include but are not limited to:

- Traditional Agriculture/Farming
- Construction
- Extractive Industries
- Gambling
- Health Care
- Hotels
- Restaurants
- Retail

What types of jobs qualify?

- Full-time, year-round newly created jobs, at least 32 hours/week.
- Jobs which directly relate to production (manufacturers) or the delivery of the service (business service providers).
 - Manufacturing examples: laborer, team assembler, first-line supervisor, production manager, shipping & receiving.
 - Service Providers: customer service representative, software engineer, engineering technician.
- Intern positions may be eligible.

What types of jobs qualify?

- One in every 5 production or service positions applied for may be “non-production,” i.e. administrative.
- 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 applications.
 - Examples: sales, accountant, human resources director, receptionist, IT

Intern Positions

- Students enrolled in a post-secondary academic or training program, or post-graduates within one year of graduation.
- Intern positions must be relevant to trainee's course of study.
- May be part-time—less than 32 hours/week.
- Company may be reimbursed a portion of Intern wages, up to 1040 training hours.
- Company receives reimbursement upon offer of a full-time, year-round regular position.
- If Intern will occupy a newly-created position, the company may apply for JTIP for the position into which the Intern will transition.

Apprentice Positions

- Individuals who have been employed temporarily in a position classified as an apprentice in order to gain practical training in a work based program through the New Mexico Department of Workforce Solutions may be eligible.

What are the requirements for trainees?

- Must be new hires to the company.
- Must reside in New Mexico.
- Must have lived in New Mexico for one continuous year at any time in their lives.
 - The one-year residency requirement may not apply to a trainee hired into an approved high-wage position provided the trainee meets all other eligibility requirements and moved to New Mexico with the intent of making New Mexico his/her permanent place of residence prior to beginning work with the participating employer.
 - Reimbursement rate will be determined by company location: 30% urban, 40% rural and 50% frontier
 - Must not have dropped out of high school in the 3 months prior to being hired.



Training at NM Educational Institutions

- Requires separate JTIP contract.
- Customized training only.
- Minimum of three JTIP participants.
- Must occur within JTIP reimbursement period.
- Up to \$6,000 reimbursement per participant.

Program Implementation



■ JTIP Staff at NM EDD

- Assists companies in preparing proposals.
- Presents companies to JTIP Board for approval.
- Administers program once funding is approved.

■ JTIP Board

- Establishes program policy.
- Reviews and votes on funding requests on a monthly basis.
- Assures funds are expended in accordance with New Mexico law.

What is the application process?

- Meet with JTIP staff to confirm eligibility, review program guidelines and plan application timeline.
- Complete online application one month before board meeting.
- Attend board meeting.

What happens after Board approval?

- Companies may begin hiring upon board approval and have six months to fill the approved jobs.
- Training must be completed within one year of board approval.
- Companies may submit claims for reimbursement as training hours are completed.
- Reimbursements are cash.
- There is no cap. Companies may re-apply for JTIP as long as they continue to meet eligibility and expansion requirements.
- JTIP staff works with the company throughout the project year to facilitate a successful JTIP project.

For additional information:



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