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New Hampshire Department of
**BUSINESS AND
ECONOMIC AFFAIRS**



July 29, 2021

The Honorable Ken Weyler, Chairman
Fiscal Committee of the General Court
State House
Concord, New Hampshire 03301

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to RSA 14:30-a VI, authorize the Department of the Business and Economic Affairs (BEA) to accept and expend \$1,003,503 in American Rescue Plan (ARP) State and Local Fiscal Recovery Funds (FRF) to fund the Workforce Recruitment Marketing and Outreach, effective upon Fiscal Committee and Governor and Council approval through June 30, 2023. This is an allowable use of ARP FRF funds under Section 602 (c)(1)(A) to respond to the public health emergency or its negative economic impacts. **100% Federal Funds.**

Funds are to be budgeted in FY2022 in the following new account:

03-022-022-221010 – Division of Travel and Tourism
24XX0000 - ARP Workforce Marketing Program as follows:

03-022-022-221010-24XX0000 ¹ ARP Workforce Marketing Program		FY2022
CLASS	DESCRIPTION	BUDGET REQUEST
040 - 501587	Indirect Cost	\$2,500
041 - 500801	Audit Fund Set Aside	\$1,003
069 - 500567	Promotional Marketing Expense	\$1,000,000
	TOTAL EXPENSES	\$1,003,503
SOURCE OF FUNDS		
000 - 400338	Federal Funds	\$1,003,503
	TOTAL REVENUE	\$1,003,503

¹All direct program costs will be accounted for using activity 00FRF602PH2201A and all administrative and indirect costs will be accounted for using activity 00FRF602PH2201Z. Accounting classifications may be subject to technical changes at the discretion of the Department of Administrative Services' Division of Accounting Services.

Funds are budgeted as follows:

- Class 040 – Indirect Costs
- Class 041 – Audit Fund Set-Aside - .001 of federal funds payable to DAS for audit fees
- Class 069 – Marketing expenses contracted to recruit employees to the state

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EXPLANATION

The Department of Business and Economic Affairs (BEA) is requesting to accept and expend of American Rescue Plan (ARP) State and Local Fiscal Recovery Funds (FRF) to support Workforce Recruitment Marketing and Outreach.

\$1,000,000 in funding would be allocated for post-COVID-19 workforce recruitment marketing and developing targeted outreach tools and assets for employers to utilize in recruiting labor and workforce to the state.

To address challenges presented by the pandemic, an aging workforce, and continued slack in the workforce, New Hampshire employers need to attract new employees into the state. Small businesses do not have the resources to provide a first-class representation of the benefits of living and working in New Hampshire. Moreover, targeted marketing in specific sectors (such as targeting marketing to nurses in other states) is a proven strategy of success.

This program will be a significant tool in helping employers deal with the challenges that have come as a result of the COVID-19 pandemic. The rise in remote or virtual work arrangements has presented recruitment and retention challenges. For example, healthcare facilities have universal shortfalls in staffing needs, manufacturing companies are finding it difficult to recruit new staff that left either for health or personal reasons, and the hospitality industry is struggling to replace staff that was let go during the peaks of COVID-19 and operational restrictions.

These challenges have placed undue burden on employers that are in many cases overwhelmed. State investment in targeted marketing efforts will be aimed at increasing the labor pool available for high-need business sectors, such as tech, construction, hospitality, healthcare, and advanced manufacturing. Programming would allow for targeted data-defined marketing to specific skillsets, demographics, and lifestyles. For example, creative assets that are strategically developed to be appealing to key demographics that are known to be inclined to the New Hampshire lifestyle.

Those proven assets will be made available as a benefit to employers as a free asset for them to use independently, enable agencies, stakeholders, and/or partners to utilize the resulting strategies and program features as well, and tie in with similar efforts developed by the Collaborative Economic Development Regions (CEDRs). Actionable deliverables could include a workforce attraction strategy, creative and coordinated marketing plan, creative assets for public use, assessment of impacts on targeted industries and workforce, and an online platform that small businesses can utilize.

BEA will use funds to develop these targeted outreach tools and creative assets, engaging its relevant divisions, such as the Division of Travel & Tourism Development, Division of Economic Development, and the Office of Workforce Opportunity, to develop tactics and engage outside marketing firms as needed.

In the event that Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Taylor Caswell, Commissioner
Department of Business and Economic Affairs