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## FISCAL IMPACT REPORT

Stapleton/  
Trujillo, CH/  
**SPONSOR** Roybal Caballero      **ORIGINAL DATE** 2/4/19  
**LAST UPDATED** 3/1/19      **HB** 318/aHEC

**SHORT TITLE** Workforce Soft Skills Program for Students      **SB** \_\_\_\_\_

**ANALYST** Liu

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
\$4,350.0	\$0.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to HB 44, HB 91, HB 183, SB 353  
Duplicates Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
Public Education Department (PED)  
Higher Education Department (HED)

### SUMMARY

#### Synopsis of HEC Amendment

The House Education Committee amendment removes eligibility of middle school students from the appropriation.

#### Synopsis of Original Bill

House Bill 318 appropriates \$4.4 million from the general fund to PED for expenditure in FY19 and FY20 to develop or purchase a comprehensive standards-based online learning program to teach workplace soft skills to middle and high school students.

### FISCAL IMPLICATIONS

The appropriation of \$4.4 million contained in this bill is a recurring expense to general fund.

Costs to maintain or update an online program are typically recurring, and technical support is likely to accompany any software purchase. Any unexpended or unencumbered balance remaining at the end of FY20 shall revert to the general fund.

The HAFC Substitute for House Bills 2 and 3 includes a \$2 million nonrecurring special appropriation for a career technical education program, which includes funding to teach online workplace soft skills for high school students.

## **SIGNIFICANT ISSUES**

PED notes soft skills are typically integrated into career and technical education (CTE) curricula, aligned to CTE program of study standards, and practiced within career and technical student organizations (CTSO). Nonetheless, many available resources are not comprehensive, and most are not offered as an online program.

At a national level, CTE Associations have developed standards for soft skills, and New Mexico has adopted those standards in NMAC 6.29.3. The soft skills New Mexico has identified include:

1. acting as a responsible and contributing citizen and employee;
2. applying appropriate academic and technical skills;
3. attending to personal health and financial well-being;
4. communicating clearly, effectively, and with reason;
5. considering the environmental, social, and economic impacts of decisions;
6. demonstrating creativity and innovation;
7. employing valid and reliable research strategies;
8. utilizing critical thinking to make sense of problems and persevere in solving them;
9. modeling integrity, ethical leadership, and effective management;
10. planning an education and career path aligned to personal goals;
11. using technology to enhance productivity; and
12. working productively in teams while using cultural and global competences.

Multiple curricular resources and national career-readiness initiatives have labeled soft skills by multiple names (i.e. employment skills, career ready practices, workplace competencies) and each resource varies in the essential attributes identified. The bill defines soft skills as personal attributes needed to succeed in the workplace, including communication, critical thinking, leadership, conflict management, positive attitude, teamwork, and work ethic.

HED notes workforce readiness or “soft” skills are taught in many community colleges as part of preparation for a particular trade or career pathway or as part of student success coaching. Workforce readiness skills are also taught by collaborating partners funded by the U.S. Department of Labor and U.S. Department of Education under the Workforce Innovation and Opportunity Act (WIOA) of 2015. Other providers include one-stop centers funded through the Workforce Solutions Department (WSD), adult education providers funded through HED, and vocational rehabilitation service providers supported by the Division of Vocational Rehabilitation (DVR). New Mexico has a WIOA State Plan outlining the state’s workforce system activities, including workforce readiness education. Some of these providers have already invested in online systems that include “soft skills” training.

## **PERFORMANCE IMPLICATIONS**

Research from the Alliance for Student Activities indicates that activities which promote soft skills and student engagement increase student test scores, graduation rates, college acceptance rates and college success rates and reduces student dropout rates. Soft skills are typically taught through hands-on learning, especially through intra- and extra-curricular activities. Student activities, including sports, student organizations, and elective courses, all offer performance benefits. However, the impacts of an online program are not well-documented.

## **ADMINISTRATIVE IMPLICATIONS**

HED notes PED should develop specific performance measures in conjunction with other workforce system partners, including WSD, HED, DVR, and other stakeholders in the WIOA state plan. In addition to developing performance measures and associated goals, it could be beneficial for PED to share strategies and resources among workforce and education system stakeholders as appropriate to avoid duplication of services that might be available to schools without cost.

PED indicates a comprehensive standards-based online curricula that would cover the soft skills would be difficult to acquire at a local or national scale. As such, PED would most likely need to develop the program. PED would need to provide professional development in order to support the implementation of a workplace soft skills curriculum. Allocation of the appropriation between acquisition and implementation is left to PED's discretion.

Staffing would be required for research and for implementation oversight. PED estimates at least 1 FTE would be required for effective implementation.

## **DUPLICATION, RELATIONSHIP**

This bill duplicates a \$2 million nonrecurring special appropriation in the General Appropriation Act for a CTE program to teach online workplace soft skills for high school students.

This bill relates to House Bill 44, which requires CTE professional development for teachers; House Bill 91, which establishes a CTE pilot; House Bill 183, which allows apprenticeship programs to count toward high school graduation; and House Bill 299 and Senate Bill 353, which appropriate funding for CTSOs.

## **ALTERNATIVES**

PED recommends changing the definition of soft skills to reference existing definitions in NMAC 6.29.3.

SL/sb