

LFC Requester: Jorgensen



**PUBLIC EDUCATION DEPARTMENT
BILL ANALYSIS
2025 REGULAR SESSION**

SECTION I: GENERAL INFORMATION

Check all that apply:

Original Amendment
Correction Substitute

Date Prepared: 02/18 /25
Bill No: HB433

Agency Name and Code: PED - 924

Sponsor: Gonzales/Garratt/Dixon

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EDUCATION

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SECTION II: FISCAL IMPACT

(Parenthesis () Indicate Expenditure Decreases)

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
\$100.0	None	Nonrecurring	NFA

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
None	None	None	N/A	NFA

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	None	None	None	None	N/A	NFA

Duplicates/Relates to Appropriation in the General Appropriation Act: The General Appropriation Act (GAA) includes a \$59 million appropriation from the general fund to the state equalization guarantee for school districts and charter schools to provide, among other things, career technical education programs pursuant to Section 22-1-12 NMSA 1978. The GAA also appropriates \$40 million – \$30 million from the general fund and \$10 million from the career technical education fund – for the career technical education pilot project.

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: House Bill 433 (HB433) proposes a temporary provision to require the Higher Education Department (HED), in collaboration with the Public Education Department (PED), the Workforce Solutions Department (WSD), and the Legislative Education Study Committee (LESC), to conduct a comprehensive study regarding career and technical education (CTE) course and instructor availability, as well as the compensation packages of CTE instructors. The bill would require the study to include evaluation of CTE programs in the state, current and anticipated needs and demands for students and industry with input from industry employers, and recommendations to address the concerns from the study no later than October 1, 2025.

The bill has an effective date of July 1, 2025.

FISCAL IMPLICATIONS

The bill would appropriate \$100,000 from the general fund to the HED for expenditure in FY26 to conduct the study. Any unexpended or unencumbered balance remaining at the end of FY26 would revert to the general fund.

SIGNIFICANT ISSUES

The PED College and Career Readiness Bureau ([CCRB](#)) offers CTE courses that are aligned to in-demand industry sectors, in order to be considered for federal Perkins funding or be designed to meet local education or economic needs. All 10 [CTE regions](#) in New Mexico conducted labor market analysis led by the WSD, and address selected priorities for state, regional, and local career clusters. The CCRB prioritizes CTE funding for state career clusters in business management and administration, education and training, and information technology.

[The 2023 amendments to the State Personnel Act](#) provided additional flexibility for PED to provide teaching licenses for career technical education teachers. The 2014 National Assessment of Career and Technical Education from the [U.S. Department of Education](#) found that students who earned a CTE certificate or associate's degree were more likely to be employed six years after completion. The LESL also recommended more nuanced research that connects explicit student outcomes to CTE investments to decide how to support CTE programs in its [2024 report](#). The provisions of the bill would increase collaboration across multiple state agencies to leverage resources and partnerships that strengthen the teacher pipeline and adaptability of CTE courses.

A [2024 LESL](#) review of CTE programs, pathways, and funding shows CTE has positive impacts on academic achievement, employability skills, the completion of high school, and readiness for college.

The percentage of New Mexicans that had attained a mid-level of education (some college or an associate's degree) was higher than the national average according to the [New Mexico 2024 State of the Workforce Report](#). For the 2021-2022 school year, 7,939 degrees and certificates were awarded from Central New Mexico Community College, resulting in increased labor force participation and decreased unemployment rates between 2018 and 2023. According to the report, New Mexico's economy is not as diversified as other states and, as of 2023, almost one in every three jobs in New Mexico fell within three major occupational groups: office and

administrative support, food preparation and serving , and sales and related occupations.

PERFORMANCE IMPLICATIONS

The State of the Workforce Report indicates New Mexico employment is projected to grow by 13.1 percent between 2022 and 2032 with anticipated industry growths for health care, food services, and professional and technical services. A comprehensive report on CTE courses and instructors would enable multiple state agencies to leverage resources and data to improve the economic well-being of New Mexicans.

ADMINISTRATIVE IMPLICATIONS

PED would be required to collaborate with HED and WSD on the creation of the CTE study as well as finding industry partners who would commit to the work. PED may need an additional staff member to carry out the provisions of the bill.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

Relates to:

- Senate Bill 64, School Career Development Success Project, which proposes the project as a three-year pilot.
- Senate Bill 130, School Career Tech Ed. Program Units, which proposes the creation of such program units and their addition to the program cost calculation.
- Senate Bill 317, Youth Apprenticeship Internship Opportunity Pgm, which proposes paid internships for 16- to 18-year-olds.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

None.

AMENDMENTS

None.