

LFC Requester:	LFC
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**AGENCY BILL ANALYSIS
2025 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Click all that apply:

Original Amendment
Correction Substitute

Date 2025-02-17

Bill No: HB433

Sponsor: <u>Garratt, Joy</u>	Agency Name and Code <u>NMHED</u>
Short Title: <u>STUDY CAREER & TECH EDUCATION</u>	Number: _____
Person Writing <u>Chisholm, Mark</u>	Phone: <u>5052716754</u>
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
N/A	\$100.00	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act:

SECTION III: NARRATIVE

BILL SUMMARY

House Bill 433 (HB433) creates a temporary section of law requiring the New Mexico Higher Education Department (NMHED), in collaboration with the New Mexico Public Education Department (NMPED), the New Mexico Department of Workforce Solutions (NMDWS), and the Legislative Education Study Committee (LESC), to conduct a comprehensive study of the availability of career and technical education courses and course instructors along with the salaries and compensation packages of those instructors in the state.

HB433 requires the study to identify and evaluate the availability of career and technical education (CTE) courses offered in the state, focusing on ways to address current and anticipated future needs and demands for students and industry, including:

1. whether a known demand for a course exceeds the course availability or the course is not available;
2. if the offered courses adequately address the needs of students seeking specific skills for workforce jobs or of industry employers seeking workers with those specific skills;
3. if the offered courses adequately address the current or future industry workforce needs, including shortages that may be identified during the evaluation or by employers;
4. the reason for any course shortages or anticipated future shortages;
5. if there is an opportunity to work with employers to find ways to incorporate employer incentives to help address workforce shortages and future needs; and

6. any other current or future matters or concerns, particularly any matters or concerns indicated by employers.

In addition, the study is to evaluate salaries and compensation packages for career-technical education instructors, including:

1. in-depth review of salaries paid to instructors, focused on instructors teaching at community colleges;
2. the number of instructors currently employed, including the number of CTE courses each instructor teaches;
3. if there is a shortage of CTE instructors and an indication of any area of CTE where a shortage exists and the reason for it; and
4. comparison of salaries and compensation packages for CTE instructors with those of other higher education instructors.

HB433 calls for a comprehensive report that includes findings from the evaluation of the CTE courses and of CTE instructors. The report shall include all matters or concerns identified from the study, including any known reasons for the findings, issues identified or anticipated, input from employers, and recommendations for immediate steps to take and longer-term actions to address matters or concerns identified in the study. The report shall be completed no later than October 1, 2025, and provided to the Governor, LFC, and any other appropriate legislative committees.

FISCAL IMPLICATIONS

HB433 does call for an appropriation to the NMHED of one hundred thousand dollars (\$100,000) from the General Fund to be used in carrying out this study. Any unexpended or unencumbered funds at the end of FY26 revert to the General Fund.

SIGNIFICANT ISSUES

Career and technical education (CTE) is critical to New Mexico's workforce and economy for several reasons:

- there is a skills gap in key industries such as aerospace, film, manufacturing, and outdoor recreation;
- CTE programs contribute to economic growth by preparing a skilled workforce that meets the demands of local industries, and can attract businesses to the state and encourage the expansion of existing industries;
- CTE jobs can provide individuals with pathways to well-paying, in-demand jobs;
- students in CTE programs often have higher graduation rates; and
- CTE programs strengthen communities by fostering economic development, reducing unemployment, and improving the overall quality of life.

Anecdotally, institutions often have difficulties hiring qualified CTE instructors since often they can't pay as much as individuals can make working in their field rather than teaching. This study

will look at that issue, and also evaluate if the state has enough of the right kinds of CTE programs in place.

There is also a good opportunity for synergy between K-12 and postsecondary education. Dual credit gives high school students the opportunity to start a CTE program while still in high school, and either finish at the same time as high school graduation, or have a head start toward completing the program soon after high school graduation.

There is also a recent state investment in non-credit instruction, and many non-credit programs fall within CTE areas. Incorporating non-credit opportunities into this study will help to form a more complete picture of the CTE landscape in New Mexico.

PERFORMANCE IMPLICATIONS

Reporting is built into the requirements of HB433.

ADMINISTRATIVE IMPLICATIONS

This is a potentially large study and it would stretch the capacity of existing staff at the NMHED. The appropriation will make it possible to hire a third-party contractor to perform much of the data collection and write a first-draft of the final report.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

There are already numerous CTE programs in New Mexico, both for-credit and non-credit, and existing collaboration between K-12 and postsecondary education institutions. These efforts would continue if HB433 is not enacted.

AMENDMENTS

N/A