LFC Requester:	Emily Hilla
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# **AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

<u>AgencyAnalysis.nmlegis.gov</u> and email to <u>billanalysis@dfa.nm.gov</u> (Analysis must be uploaded as a PDF)

### **SECTION I: GENERAL INFORMATION**

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

Date Prepared	1/23/25	Check all that apply:			
Bill Number:	SB0049	Original	x	Correction	
		Amendment		Substitute	

Sponsor: Mimi Stew	Agency Name   and Code Dept. of Workforce Se   ponsor: Number:		t. of Workforce Solutions-631	
Short Title:	Community Benefit Fund Transfers	Person Writing Phone: 505-263	-3187	Sarita Nair Email Evan.Sanchez@dws.nm.gov

### SECTION II: FISCAL IMPACT

### **APPROPRIATION** (dollars in thousands)

Appropriation		Recurring	Fund	
FY26	FY27	or Nonrecurring	Affected	
\$340,000.0	0	NR	32900	

(Parenthesis () indicate expenditure decreases)

#### **REVENUE** (dollars in thousands)

Estimated Revenue			Recurring	Fund
FY26	FY27	FY28	or Nonrecurring	Affected
	0	0		

(Parenthesis () indicate revenue decreases)

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

		FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Т	otal	None above appropriation					

(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**

<u>Synopsis</u>: This is the companion bill to SB 48, which creates and sets forth the purposes of the Community Benefit Fund. It makes transfers to several agencies and funds to accomplish the goals of the Fund, including a \$25 million appropriation to Workforce Solutions for expenditure in Fiscal Years 2026-28.

### FISCAL IMPLICATIONS

The funding in this bill with enable DWS to partner with higher education institutions to fund projects that would train New Mexicans for the many jobs that will be available in non-extractive industries. This includes training for individuals currently working in the extractive industries who will need to find new career paths.

# SIGNIFICANT ISSUES None.

# **PERFORMANCE IMPLICATIONS**

This funding will enable DWS to rapidly expand the availability of training for the non-extractive industries. The need for such training exists statewide and is especially acute in the rural areas of the state. DWS has strong experience in managing the administration of funds like this, through the Workforce Innovation and Opportunity Act as well as grants like the State Expansion Formula and competitive grants.

Last year, Governor Michelle Lujan Grisham issued Executive Order 2024-152, requiring state agencies to collaborate on developing the climate-ready infrastructure workforce and setting a goal of training 2,000 workers in climate-ready professions by the end of 2026. The EO includes clean energy and other climate-ready jobs, and DWS has identified climate resilience and energy transition as priority sectors in the 2024-2027 WIOA State Plan. This funding will support the efforts underway by providing the funding to implement the plans being developed. DWS would work closely with the local workforce development boards and education and training providers in these efforts.

DWS is also in the process of working closely with industry and businesses to develop apprenticeship pathways in clean energy, water infrastructure, and other climate resilience sectors. This funding will advance that effort, and it is helpful because other funding sources for apprenticeship are available only to registered apprenticeship programs that have been in existence for one year. No regular source of funding exists to help stand up new apprenticeship or preapprenticeship programs. In this way, the funding in this bill will increase accessibility to the substantial investments the legislature has already made in apprenticeship.

# ADMINISTRATIVE IMPLICATIONS

None.

# CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

# **TECHNICAL ISSUES**

None.

### **OTHER SUBSTANTIVE ISSUES**

None.

# ALTERNATIVES

# WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Efforts to advance workforce training in the non-extractive industries will continue to be underfunded and inadequate, particularly in rural areas of the state.

### AMENDMENTS