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LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS
57th Legislature, 1st Session, 2025

Bill Number	<u>SB130</u>	Sponsor	<u>Brandt</u>
Tracking Number	<u>.229270.1</u>	Committee Referrals	<u>SEC/SFC</u>
Short Title	<u>School Career Tech Ed. Program Units</u>		
Analyst	<u>Estupiñan</u>	Original Date	<u>1/28/2025</u>
		Last Updated	<u></u>

BILL SUMMARY

Synopsis of Bill

Senate Bill 130 (SB130) would amend statute to create a career technical education (CTE) program unit as part of the program cost calculation of the state's public school funding formula. SB130 specifies the number of CTE program units would be determined by multiplying the public school student membership (MEM) in Public Education Department (PED)-approved CTE courses by a cost differential factor of 0.25.

The bill would be effective June 20, 2025.

FISCAL IMPACT

SB130 does not contain an appropriation.

SB130 would create a CTE program unit and increase the number of program units generated by school districts and charter schools as part of the state equalization guarantee (SEG), the state's public school funding formula.

Data [reported](#) by PED to the U.S. Department of Education indicates 69.9 thousand total students in New Mexico participated in CTE courses in the 2022-2023 school year. Of these students, 22.2 thousand were CTE concentrators, or students who complete at least two courses in a single CTE program or program of study. If 69 thousand students participate in CTE programs in FY26, LESC staff estimate the cost of new program units created by SB130 could be \$114.5 million based on the FY25 unit value of \$6,553.75. However, the exact number of program units generated would depend on how PED chooses to interpret CTE student participation and whether the department bases this on CTE enrollment, or CTE concentrator status.

SUBSTANTIVE ISSUES

Students in seventh grade through 12th grade generate a cost multiplier of 1.25 in the current calculation of basic program units in the SEG. The cost differential for secondary students was set

in 1976 and has not been adjusted since. In 1976, the Legislature increased the cost differential for seventh through ninth grade students from 1.2 to 1.25, decreased the cost differential for 10th through 12th grade students from 1.4 to 1.25, and eliminated an independent SEG factor for vocational education. The result was a single cost differential of 1.25 for seventh through 12th grade, which includes support for vocational education.

SB130 would reestablish an independent cost differential for CTE in the SEG while maintaining a 1.25 multiplier for students in grades seven through 12.

ADMINISTRATIVE IMPLICATIONS

PED would need to determine how MEM in department-approved CTE programs would be calculated and validated on an annual basis and use validated CTE program enrollment to calculate program units. PED does collect and report this data to federal agencies as a contingency of receiving federal CTE funding, so it does have data collection systems in place to track both general CTE participation and CTE concentrator participation.

RELATED BILLS

Relates to House Bill 63, Public School Funding Formula Changes, which would amend the SEG to increase the basic program cost differential for grade six from 1.045 to 1.30 and for grades 7 through 12 from 1.25 to 1.30.

SOURCES OF INFORMATION

- LESC Files

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