

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; PROVIDING FUNDING FOR DEVELOPMENT TRAINING PROGRAMS; AMENDING AND ENACTING SECTIONS OF THE NMSA 1978; RECONCILING MULTIPLE AMENDMENTS TO THE SAME SECTION OF LAW IN LAWS 2003; MAKING AN APPROPRIATION; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 21-19-7 NMSA 1978 (being Laws 1983, Chapter 299, Section 1, as amended by Laws 2003, Chapter 352, Section 1 and by Laws 2003, Chapter 353, Section 1 and also by Laws 2003, Chapter 360, Section 3) is amended to read:

"21-19-7. DEVELOPMENT TRAINING.--

A. The economic development department shall establish a development training program that provides quick-response classroom training, in-plant training and skill-enhancement training to furnish qualified manpower resources for new or expanding industries, nonretail service sector businesses and film and multimedia production companies in New Mexico that have business or production procedures that require skills unique to those industries. Training shall be custom designed for, and based on the special requirements of, each company or preemployment training program for the film and multimedia industry. The program shall be operated on a statewide basis and shall be designed to assist any area in

becoming more competitive economically.

B. There is created the "industrial training board" composed of:

(1) the director of the economic development division of the economic development department;

(2) the director of the vocational education division of the public education department;

(3) the director of the governor's office of workforce training and development;

(4) the executive director of the commission on higher education;

(5) an employee of the department of labor;

(6) one member from organized labor appointed by the governor; and

(7) one public member from the business community appointed by the governor.

C. The industrial training board shall establish policies and promulgate rules for the administration of appropriated funds and shall provide review and oversight to assure that funds expended from the development training fund will generate business activity and give measurable growth to the economic base of New Mexico within the legal limits preserving the ecological state of New Mexico and its people.

D. Subject to the approval of the industrial training board, the economic development division of the

economic development department shall:

- (1) administer all funds allocated or appropriated for industrial development training purposes;
- (2) provide designated training services;
- (3) regulate, control and abandon any training program established under the provisions of this section;
- (4) assist companies requesting training in the development of a training proposal to meet the companies' manpower needs;
- (5) contract for the implementation of all training programs;
- (6) provide for training by educational institutions or by a company through in-plant training, at that company's request; and
- (7) evaluate training efforts on a basis of performance standards set forth by the industrial training board.

E. The vocational education division of the public education department shall provide technical assistance to the economic development department concerning the development of agreements, the determination of the most appropriate instructional training to be provided and the review of training program implementation.

F. Except as provided in Section 21-19-7.1 NMSA

1978 for film and multimedia production companies and preemployment training programs for that industry, the state shall contract with a company or an educational institution to provide training or instructional services in accordance with the approved training proposal and within the following limitations:

(1) payment shall not be made for training in excess of one thousand forty hours of training per trainee for the total duration of training;

(2) training applicants shall have resided within the state for a minimum of one year at any time prior to the commencement of the training program and be of legal status for employment;

(3) payment for institutional classroom training shall be made pursuant to any accepted training contract for a qualified training program;

(4) payment shall not be made pursuant to any accepted training contract for rental of facilities unless facilities are not available on site or at the educational institution;

(5) all applicants shall be eligible under the federal Fair Labor Standards Act of 1938, as amended, and shall not have terminated a public school program within the past three months except by graduation;

(6) trainees shall be guaranteed full-time

employment with the contracted company upon successful completion of the training;

(7) persons employed to provide the instructional services shall be exempt from the minimum requirements established in the state plan for other state vocational programs;

(8) payment shall not be made for training programs or production of Indian jewelry or imitation Indian jewelry unless a majority of those involved in the training program or production are of Indian descent; and

(9) if a company hires twenty or more trainees, payment shall not be made for training in a municipality having a population of more than forty thousand according to the most recent decennial census or a class A county unless the company:

(a) offers its employees and their dependents health insurance coverage that is in compliance with the New Mexico Insurance Code; and

(b) contributes not less than fifty percent of the premium for the health insurance for those employees who choose to enroll; provided that the fifty percent employer contribution shall not be a requirement for the dependent coverage that is offered."

Section 2. Section 21-19-7.1 NMSA 1978 (being Laws 2003, Chapter 353, Section 2) is amended to read:

"21-19-7.1. DEVELOPMENT TRAINING FOR FILM AND
MULTIMEDIA PRODUCTION COMPANIES.--

A. After consulting with the New Mexico film division of the economic development department, the industrial training board shall promulgate rules for development funding for film and multimedia production companies. The rules shall provide:

(1) for preapproval by the New Mexico film division of personnel who:

(a) are New Mexico residents;

(b) have participated in on-the-job training or attended a training course sponsored in part by an accredited educational institution in New Mexico or by the New Mexico film division; and

(c) have been certified as film and multimedia trainees by the New Mexico film division;

(2) for submission to the New Mexico film division of the economic development department by a film or multimedia production company, after completing production in New Mexico, of employment, salary and related information concerning those personnel who have been:

(a) approved by the New Mexico film division pursuant to Subsection A of this section; and

(b) employed by the production company in a film or multimedia production in New Mexico;

(3) after approval by the New Mexico film division, for reimbursement from the development training fund to the production company of fifty percent of the salaries paid to the personnel for whom information is submitted pursuant to Paragraph (2) of this subsection; and

(4) that the reimbursement shall be made by the New Mexico film division without further action or approval of the industrial training board.

B. The New Mexico film division of the economic development department shall establish a film and multimedia preemployment training program to furnish qualified manpower resources for the film and multimedia industry. The New Mexico film division shall adopt rules implementing the preemployment training program."

Section 3. A new section of Chapter 21, Article 19 NMSA 1978 is enacted to read:

"DISTRIBUTIONS OF DEVELOPMENT TRAINING FUNDS.--

A. Of appropriations made in any fiscal year for development training, up to two-thirds shall be expended in urban communities in the state. At least one-third of the appropriations made in any fiscal year for development training shall be expended in nonurban communities.

B. Of money available in the development training fund, the economic development department may use in any fiscal year:

(1) up to fifty thousand dollars (\$50,000) to generally administer the development training program; and

(2) in addition to the general administration funding allowed in Paragraph (1) of this subsection, up to fifty thousand dollars (\$50,000) to administer the provisions of Section 21-19-7.1 NMSA 1978.

C. Up to two million dollars (\$2,000,000) of development training funds may be used to reimburse film and multimedia production companies and to provide preemployment training for that industry pursuant to the provisions of Section 21-19-7.1 NMSA 1978.

D. As used in this section:

(1) "nonurban community" means a municipality that is not an urban community or is the unincorporated area of a county; and

(2) "urban community" means a municipality with a population of forty thousand or more according to the most recent federal decennial census."

Section 4. CONTINGENCY.--The provisions of this act become effective upon enactment into law of an appropriation for development training in the General Appropriation Act of 2005.

Section 5. EMERGENCY.--It is necessary for the public peace, health and safety that this act take effect immediately.
