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FISCAL IMPACT REPORT

SPONSOR Campos DATE TYPED 02-14-05 HB _____

SHORT TITLE Statewide Agricultural Education Programs SB 238

ANALYST Woods

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$537.1			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to the appropriation for New Mexico State University in the General Appropriations Act.

Duplicates HB186

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico State University (NMSU), College of Agriculture and Home Economics (CAHE)
 Commission on Higher Education (CHE)
 New Mexico Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Bill 238 – Making an Appropriation for Agricultural Education Programs Statewide; Declaring an Emergency – appropriates \$537,100 from the general fund to the Board of Regents of New Mexico State University for expenditure in FYs 05 and 06 to support the continuation of agricultural education programs statewide. Any unexpended or unencumbered balance remaining at the end of fiscal year 2006 shall revert to the general fund. This bill carries emergency language.

Significant Issues

NMSU-CAHE indicates that at present there are 75 local agriculture education programs in the state of New Mexico and that funding is needed to bring secondary agriculture education programs in line with industry standards. These funds would be used to update equipment and technology at the local district level and on-going program support is required – not only to bring programs up to acceptable standards – but to ensure that standards are maintained in the future.

NMSU-CAHE additionally suggests that the *No Child Left Behind Act* has also mandated industry-level certification training programs in agriculture education. Further, that in order to achieve industry-level certification programs, additional recurring funding is necessary to purchase industry-quality equipment for program and curriculum enhancement. NMSU-CAHE notes that New Mexico's economic development projections indicate some 185,000 new jobs in the next ten years. To this end, significant additional resources are required if the state is to meet the training and educational needs of the state's agriculture industry.

CHE observes that the majority of agriculture education programs in the state receive no federal appropriations for program improvement and student certification training. It also notes that this request was not in the list of priority projects submitted by NMSU to CHE for review. Accordingly, the request was not included in the commission's funding recommendation for FY06.

HB186 – the duplicate of this bill – has been amended by the House Education Committee to add program evaluation and effectiveness language (see below duplication section).

FISCAL IMPLICATIONS

The \$537,100 appropriated in this bill for FYs 05 and 06 is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund. This bill carries emergency language.

ADMINISTRATIVE IMPLICATIONS

New Mexico State University will retain administrative oversight of this project.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to the appropriation for New Mexico State University in the General Appropriations Act.

Duplicates HB186 in that HB186 also seeks to appropriate \$537,100 from the general fund to the Board of Regents of New Mexico State University for expenditure in FYs 05 and 06 to support the continuation of agricultural education programs statewide.

House Education Committee Amendment to HB186 adds program evaluation and effectiveness language as follows:

On page 1, line 21:

After the word “fund” the language: “Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund. – the language – New

Mexico State University shall submit a plan for program evaluation, including specific program goals and criteria for assessing program effectiveness to the Legislative Finance Committee and the Commission on Higher Education by October 1, 2005. The institution shall also submit a program evaluation to the Legislative Finance Committee and the Commission on Higher Education by June 30, 2008 detailing the benefits to the State of New Mexico from having the program implemented for a three year period.” is inserted.

House Education Committee Amendment to HB186 attaches no additional appropriation to the bill.

OTHER SUBSTANTIVE ISSUES

As general background to this issue, PED indicates that a career, technical education program is composed of three interwoven parts: (1) classroom/laboratory instruction; (2) work-based learning, and (3) leadership development through the student organization. PED additionally indicates that New Mexico recognizes seven program areas:

- Family and Consumer Sciences Education;
- Business Education;
- Marketing Education;
- Health Occupations Education;
- Technology Education;
- Trade and Industrial Education; and
- Agriculture Education.

While there are approximately 82,000 secondary students enrolled in career-technical education programs, approximately 5,000, or 6 percent, of these career-technical students are enrolled in agricultural education.

PED further observes that the New Mexico Department of Labor, in its *IN Brief* publication, presents information on industries and occupations that will impact the state’s economic outlook through the year 2012. New Mexico’s economy is expected to generate about 158,000 jobs through the year 2012 and experience growth of about 12 percent. An anticipated job growth of 1,580 jobs or 1 percent is indicated for agriculture-related jobs during this time period.

PED notes that – as a result of a similar bill introduced in the 2003 legislative session – the NMSU Agricultural Education/FFA office currently receives \$300,000 in recurring state appropriated monies for support of statewide agricultural education programs.

BFW/lg