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FISCAL IMPACT REPORT

SPONSOR Griego ORIGINAL DATE 1/28/07 HB _____
LAST UPDATED 3/17/07
SHORT TITLE Add Continuing Education Requirements SB 297/aSJC/aSFI/aHBIC /HF1#1
ANALYST Wilson/Baca

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY07	FY08	FY09	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$0.1			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Regulations and Licensing Department (RLD)

SUMMARY

Synopsis of HF1 #1

House Floor amendment #1 strikes House Business and Industry amendments. The bill is restored to its original version.

Synopsis of HBIC Amendment

The House Business and Industry Committee amendment revises Subsection D of Section 1 to read:

Licenses and journeyman certificate holders may be required to complete and submit proof of continuing education as a prerequisite for renewal of a license. When required by rule adopted by the division, an applicant for a license renewal must submit with the application for license renewal proof of eight hours of instruction in code change and eight hours of instruction in other industry-related and division-approved subject *such as workplace safety and general business operations*. All continuing education curricula and instructors must be preapproved by the commission based on recommendations by the division. The criteria for approval shall include affiliation with professional associations or organizations representing the construction trades. The sixteen hours of continuing education must have been completed within the three years prior to the date of the license renewal application.

The amendment adds a new Section to make the effective date July1, 2008.

Synopsis of SFI Amendment

The Senate Floor amendment to SB 297/aSJC removes the SJC amendment in its entirety.

Synopsis of SJC Amendment

The Senate Judiciary Committee amendment to SB 297 makes it mandatory for licensees and journeyman certificate holders to complete and submit proof of continuing education as a prerequisite for renewal of a license.

Synopsis of Original Bill

Senate Bill 297 amends NMSA 1978 Section 60-13-18 to state licensees and journeyman certificate holders may be required to complete and submit proof of continuing education as a prerequisite for renewal of a license.

When required by rule adopted by the Construction Industries Division (CID), an applicant for a license renewal must submit with the application for license renewal proof of eight hours of instruction in code change and eight hours of instruction in other industry-related and division-approved subjects. The sixteen hours of continuing education must have been completed within the three years prior to the date of the license renewal application.

FISCAL IMPLICATIONS

The continuing education courses that will satisfy this requirement will be primarily provided through sources outside state government, such as Central New Mexico Community College (formerly TVI) and numerous private seminars, all approved by CID pursuant to the model currently in place for the electrical journeyman CE program. Therefore, there will be no necessity for CID to bear the cost of providing any of these courses

SIGNIFICANT ISSUES

RLD states New Mexico will not be able to maximize its ability to respond to the construction explosion occurring and expected in the foreseeable future, and its journeyman certification program will fall further and further behind when measured against the national norms for professionalism in the construction industry.

CID already conducts or facilitates numerous trainings for journeymen on an ongoing basis, and they are well attended. If continuing education requirements are established, these trainings will be recognized as one method of satisfying the requirement, and the journeymen who are already participating in them will have some if not all of the requirement satisfied without doing anything more than they are currently doing. Those who are not regularly attending will be motivated to ensure that both their technical knowledge and skills are well maintained..

CID is authorized, by statute, to enter into licensing reciprocity agreements with other states. Reciprocity is especially important when construction escalates and there is a shortage of journeymen. These shortages can be acute and sudden. Reciprocity enables journeymen validly certified in other states to become certified in New Mexico and go to work virtually instantly.

This benefit to economic development is obvious and is already available in New Mexico for journeyman electrician work. This legislation will expand the benefit to all the construction trades. With the advent of such vast construction projects as the Space Port and the structures that will be necessary to house and manage project support, journeymen will be in greater demand than ever. Reciprocity can make a significant difference in the State's ability to sustain this unprecedented growth.

Reciprocity, however, largely depends on parity in states' certification requirements. Many states have a continuing education requirement for renewal of a journeyman certification and view New Mexico's requirements as less stringent because continuing education is not required. This limits the possibility of reciprocity with those states. This legislation will enable the changes needed to bring New Mexico's renewal requirements in closer alignment with those of other states so that reciprocity is possible.

ADMINISTRATIVE IMPLICATIONS

CID has already implemented a continuing education program for EE-98J journeymen electricians. The administrative processes developed for that program will be a model for expansion into other classification. Expansion will be phased, so the impact of implementation will be minimized.

DW/mt