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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/26/08

SPONSOR Sanchez, B. LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Create Apprenticeship Training Fund SB 263

ANALYST Aguilar

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$2,000.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act for Apprenticeship Assistance  
Relates to HB-126

### REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY08	FY09	FY10		
	\$2,000.0	\$0.1	Recurring	Apprenticeship Training Fund

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
Public Education Department (PED)

### SUMMARY

#### Synopsis of Bill

Senate Bill 263 appropriates \$2 million from the general fund to Apprenticeship Training Fund to provide grants for apprenticeship training programs.

The bill creates the Apprenticeship Training Fund as a nonreverting fund.

## **FISCAL IMPLICATIONS**

The appropriation of \$2 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year shall revert to the general fund.

This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

## **SIGNIFICANT ISSUES**

The bill makes technical changes to language in existing statute.

The bill provides a definition for an apprenticeship training program as it is registered pursuant to Section 21-19A-5 NMSA 1978 and defines the criteria for apprenticeship programs. Apprenticeship programs should be registered by the state apprenticeship council or the U.S. Department of Labor.

The bill also provides for investment of the fund in the manner the land grant permanent fund is invested.

## **PERFORMANCE IMPLICATIONS**

This bill does not specifically address the PED performance measures. However, it does support PED's goal to increase academic excellence and student achievement. Additionally, CTE provides relevance to a curriculum and hands-on instruction that may impact the annual cohort graduation rate for ninth graders who entered school year 2004-2005.

## **TECHNICAL ISSUES**

For consistency in language use, the Legislature may wish to consider changing references to the division to the department.

PA/bb