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## FISCAL IMPACT REPORT

**SPONSOR** Miera **ORIGINAL DATE** 02/24/09  
**LAST UPDATED** \_\_\_\_\_ **HB** 618  
**SHORT TITLE** Manufacturing Skills Program **SB** \_\_\_\_\_  
**ANALYST** Haug

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$1,000.0	Recurring	General Fund

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Higher Education Department (HED)  
Public Education Department (PED)

### SUMMARY

#### Synopsis of Bill

House Bill 618 would appropriate \$1,000,000 from the general fund to the Public Education Department to establish a manufacturing skills program for high school elective courses that lead to certification approved by the Federal Manufacturing Skill Standards Board. The program would be offered through the statewide Cyber Academy or New Mexico Community Colleges. The appropriation could be used to train teachers, purchase software and provide other necessary infrastructure for the program.

### FISCAL IMPLICATIONS

The appropriation of \$1,000,000 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 2011 shall revert to the general fund.

According to the February 2009 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$575 million less than the FY09 appropriations before the 2009 solvency reductions. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

The HED states that this project supports HED's Strategic Priorities and Goals and state priorities and the Department would recommend it for funding for FY10, if the State's fiscal picture improves.

## **SIGNIFICANT ISSUES**

The PED states:

This is a Governor Richardson bill.

The intent of providing (MSSC) certification is to:

- 1) provide a systemic approach for building a workforce in New Mexico;
- 2) leverage resources from state agencies (Economic Development Department (EDD), Department of Workforce Solutions (DWS), Public Education Department (PED) and Higher Education Department (HED)) to provide quality, sustaining training to build a workforce for current and future employment opportunities;
- 3) provide quality training experiences for New Mexico's schools, especially in rural areas of New Mexico;
- 3) combat the cycle of potential employers locating outside of New Mexico due to a lack of trained workforce
- 4) reduce drop-out rates and raise graduation in New Mexico's high schools.

The Rural Economic Development Policy Advisor to Governor Richardson indicates the following:

- Employment projections: The short-term employment opportunities available for New Mexicans who complete MSSC certification are estimated to be near 1,000, and the long-term hiring potential for persons with MSSC training is expected to be sustained, and greater in number.
- Regions impacted: Currently the Southern regions of New Mexico are active in pursuing manufacturing enterprises. It is anticipated that all of New Mexico can be served through MSSC certification programs by taking a regional approach to developing training programs. A priority of the MSSC training program is to provide training opportunities to rural New Mexico's population through integrated delivery of curriculum that utilizes a combination of distance learning and face-to-face instruction.
- Potential employment is statewide by industry demand.

HB 618 would support program development by IDEAL-NM (called cyber academy in the bill). This bill potentially requires course delivery methodology that would accommodate a blend of online and face-to-face instruction. This bill would make accessible the delivery of curriculum leading to industry recognized certification to students in New Mexico, and especially rural high school students in New Mexico. It would support program development that may impact performance-level reports related to the Carl D. Perkins Career and Technical Education Improvement Act of 2006. Three of the required Perkins' measures are equal to Adequate Yearly Progress (AYP) reporting.

Glencoe McGraw Hill / Manufacturing Skills Standards Council (MSSC) Textbook is a requirement of the current MSSC training curriculum. Adapting this textbook into the desired delivery format, or into multiple delivery formats, will need to be addressed in the course development aspect of this program.

The HED notes that while manufacturing technology programs currently exist at New Mexico universities, more accessible programs are needed across the state that target youth.

### **PERFORMANCE IMPLICATIONS**

The PED notes that the MSSC program has the potential to address public school support performance measures that focus on the percent of New Mexico high school graduates who take remedial courses in higher education at two-year and four-year schools and address cohort graduation rates. It has the potential to address PED performance measures that address No Child Left Behind of 2001 (NCLB) graduation rates.

### **ADMINISTRATIVE IMPLICATIONS**

According to the PED, during the first year of the bill, the following would need to be addressed: Administration of interagency coordination on course and curriculum development (PED/HED/EDD/DWS), data collection and report generation, crosswalking the curriculum to New Mexico standards and benchmarks and college curricular requirements and a textbook distance learning liaison. Also needed to be addressed would be analysis of district needs regarding infrastructure to implement the program (assess hardware, software, connectivity needs) and a plan for infrastructure per site.

Instructor licensure is dependent on course development aspects such as the type of course credit that may be earned, dual credit or high school only, and the manner of delivery – integrated distance learning with face-to-face or distance learning only.

Administration of Manufacturing Skills Program through contractual arrangements with IDEAL-NM and/or community colleges will be needed.

GH/svb