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FISCAL IMPACT REPORT

SPONSOR Miera ORIGINAL DATE 02/06/14
LAST UPDATED _____ HB 312
SHORT TITLE High School Work Force Assessment System SB _____
ANALYST Klundt

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY14	FY15		
	\$35.0	Recurring	General

(Parenthesis () Indicate Expenditure Decreases)

Duplicates Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Workforce Solutions Department (WSD)

Public Education Department (PED)

SUMMARY

Synopsis of Bill

House Bill 312 appropriates \$35.0 thousand to the Workforce Solutions Department (WSD) to implement a national workforce assessment system in public schools specifically for workforce-bound high school students. The bill proposes to replace existing reading and mathematics assessments required for high school graduation with this workforce assessment.

FISCAL IMPLICATIONS

The appropriation of \$35.0 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY15 shall revert to the general fund.

House Bill 2 as amended by HAFC currently includes \$35.0 thousand from the general fund to WSD for a national workforce assessment system. The appropriation in this bill duplicates the appropriation currently included in HB 2.

SIGNIFICANT ISSUES

High school students are required to demonstrate competency in mathematics and reading on the “high school competency exam” or through an alternative demonstration of competency. Currently, the New Mexico Standards-Based Assessment is used as the high school competency exam, and alternative demonstrations of competency in math and English include meeting the PED adopted score on college readiness/placement exams such as ACT, SAT, PSAT, AccuPlacer, or International Baccalaureate, or by passing the appropriate courses or the corresponding end of course exams for math and reading.

This bill proposes to allow students who are work force-bound (rather than college bound) to demonstrate competency in reading and mathematics on the WorkKeys assessment or another similar national workforce skills assessment. Skills assessment tools provide valuable information to students seeking to improve overall employability as well as assist employers in making better hiring decisions. The goal of this bill is to help work force-bound high school students prepare for employment upon graduation. Currently, PED does not accept the WorkKeys or any workforce skills assessments as a means of demonstrating competency for graduation purposes. WDS would need to coordinate with PED to ensure the assessment system that is developed is acceptable and measures appropriate content knowledge to meet graduation requirements.

According to New Mexico Innovate+Educate, an industry-led nonprofit implementing research-based strategies to close the national skills gap, the national workforce assessment that would most thoroughly test students for reading and mathematics exit competencies is ACT WorkKeys®. WorkKeys® assesses and scores an individual’s cognitive skill ability in a variety of frameworks (Locating Information, Applied Mathematics, Reading, etc.). Further, WorkKeys® is a job skills assessment system that helps employers select, hire, train, develop, and retain a high-performance workforce. According to ACT, the provider of WorkKeys®, the assessment is best known for translating a vague statement like “we need more qualified” into a precise set of teachable foundation skills used in the workplace. Employers use WorkKeys® for hiring, promotion and training. Educators use WorkKeys® to tailor student development plans and certify career readiness. Workforce and Economic Developers use the assessment to match employers to communities. To date, 12.5 million WorkKeys® assessments have been conducted nationally, and more than 16,000 job profiles have been conducted for business and industry, schools and colleges, training centers and economic developers. For more information, see <http://workkeys.com>.

At this time, there is no cost to students who take the WorkKeys® assessment at a Workforce Solutions Department location. In rural areas, arrangements can be made to test at school sites. WSD and Innovate+Educate have partnered to acquire grant funding to support the initiative and offer such testing free of charge.

Each WorkKeys® assessment contains a scale defining the test takers cognitive ability. This bill does not indicate at which level on the scale a student would be deemed proficient in like manner as the scale and cut score for NM SBA Assessment.

According to the PED, in accordance with the federal Elementary and Secondary Education Act (ESEA), the state’s Standards-Based Assessment must be given to all students in grades 3-8 and once in high school. The US Department of Education has never allowed a state to replace the

state assessment with an alternate and allowing New Mexico students to do so would put at risk more than \$120 million in federal Title I funds. However, this bill does not propose to replace the assessments required for the aforementioned accountability purposes, but rather replace the high school competency exam, an exam required by state law and not federal law.

Similar to students who may be on a college-bound path and take the SAT or ACT for college entrance in addition to the SBA, nothing would preclude a student on a work force path from also taking WorkKeys® now.

ADMINISTRATIVE IMPLICATIONS

WSD reports that the agency is positioned to administer these funds and supports education and workforce working together to increase the employability of students by validating the skills and competencies of current and future job seekers. The agency, currently utilizes a national skills assessment tool to measure foundational skills such as reading, mathematics, and locating information. The results can be used by job seekers and employers to make better decisions by assessing skill level requirements for specific jobs and evaluating the skill level or skill gap of individual job seekers.

OTHER SUBSTANTIVE ISSUES

The additional resources proposed in this bill would expand current skills assessment opportunities for workforce-bound high school students and align with existing statewide assessment initiatives.

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