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FISCAL IMPACT REPORT

ORIGINAL DATE 3/9/2015

SPONSOR Sapient LAST UPDATED _____ HB _____

SHORT TITLE Establish High-Quality Career Pathways SM 105

ANALYST Hartzler

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY16	FY17	FY18	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$1.0	0.0	\$1.0	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act, Section 4: Workforce Solutions Department, Public Education Department, Higher Education Department

Duplicates HM 14, Establish High-Quality Career Pathways

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

Higher Education Department (HED)

Workforce Solutions Department (WSD)

SUMMARY

Synopsis of Memorial

Senate Memorial 105 requests the collaboration of HED, PED, and WSD to establish career pathways that bridge high school curricula, post-secondary studies and job opportunities for New Mexico students, including the creation of guidance systems for career information, exploration and advisement for secondary students and early advanced credential programs for students pursuing economically viable career pathways. The memorial requires the three departments solicit input from relevant stakeholders to develop policies and practices. Finally, the memorial requires the departments present their findings and progress on the identified priorities to the Legislative Education Study Committee (LESC) by November 1, 2015.

FISCAL IMPLICATIONS

There would be a minor budgetary impact experienced by the three departments as staffs collaborate, with stakeholders, to study high school and post-secondary curricula, identify best-practices for guidance systems for career advisement and program placement, and produce a final report for the LESC.

SIGNIFICANT ISSUES

PED reports that

New Mexico has the lowest median income of all neighboring states and consistently ranks above national averages for unemployment. (See New Mexico Department of Workforce Solutions Economic Research and Analysis Bureau (2014). *2014 State of the Workforce Report*; <http://www.deptofnumbers.com/unemployment/new-mexico/>) Also, a recent national Career Readiness Task Force Report, produced by the Council of Chief State School Officers, implicated outdated vocational education programs as a significant factor in student under-preparedness and advocated for states to improve the rigor and relevance of career technical education. The report recommended three specific actions to improve career readiness: 1) enlist the business community in defining necessary career pathways and skills, 2) increase rigor in all vocational classes so that all students are ready for postsecondary work, and 3) prioritize career readiness by including it in school accountability systems. This memorial supports the vision advocated in that report. (See Council of Chief State School Officers (Dec 2014). *Opportunities and options: Making career preparation work for students.*)

The recent Early College High School and Workforce Ready Programs require grantees to develop courses of study that align with local and state workforce needs. These programs were an excellent first step to ensure students are prepared for success in the workplace upon high school graduation.

WSD recognizes a 2013 report by Georgetown University’s Center for Education and the Workforce which suggests there will be nearly 335 thousand job openings in New Mexico by 2020, most of which are projected to be in the science, technology, engineering, and mathematics (STEM) fields.

Further, the department states that it supports developing career pathways, the focus on SM 105, to develop the state’s workforce. “Career Pathways link education and training services to enable individuals to advance over time to successively higher levels of employment in a given industry or occupational sector. This framework requires innovation in program content and delivery, flexible scheduling, articulation of academic and technical content and effective credentialing of skill gain. A high quality career pathways initiative requires a long-term commitment from all stakeholders.”

HED notes that collaborating agencies would be required to review existing programs, assess whether and how these programs support clearer career pathways, and develop options for aligning programs or adding components to existing programs. Including other stakeholders, including private employers, would benefit any assessment and resulting career pathways.

PERFORMANCE IMPLICATIONS

There are no distinct performance implications for this memorial, other than the requested outcome of presenting the agencies' findings and a report to the LESC. Should the effort requested in SM 105 be undertaken, there could be performance measures and targets developed in response to any findings or recommendations of the agencies.

ADMINISTRATIVE IMPLICATIONS

HED notes that the Educational Data System (or Student Longitudinal Data System, SLDS), mandated by Section 22-1-11 NMSA (1978), could be used to evaluate any new career pathways programs developed as a result of this collaboration were successful in moving students through high school, into public higher education, and then into the workforce.”

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Efforts to evaluate state-supported career pathways and high school-college workforce programs would be helpful in identifying effective and duplicative programs, whether programs reflect best-practices in the education and workforce setting, and identifying which programs should be expanded or eliminated based on success in training and placing students in the workforce. WSD observed that “there are many efforts and initiatives within education and workforce that currently promote, model and support career pathways. Close collaboration and coordination between private sector industries, higher education institutions, work force development agencies and public schools will help the state address its current and future work force demands, prevent duplication and enhance partnerships.”

TH/je/bb