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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/18/21

SPONSOR Ortiz y Pino LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Employment Boot Camp Training SB 348

ANALYST Valenzuela

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY21	FY22		
	\$3,000.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act of 2021

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Central New Mexico Community College (CNM)

### SUMMARY

#### Synopsis of Bill

Senate Bill 348 appropriates \$3 million from the general fund to HED for the purpose of conducting quick skills training for unemployed or underemployed workers. The short-term skills training would be operated by CNM.

SB348 would pay for tuition to the short-term skills training boot camps, provide living stipends to students, pay CNM to develop new boot camps, pay CNM to license the boot camps to other nonprofit educational organizations or higher education institutions throughout the state, and pay CNM's overhead costs.

### FISCAL IMPLICATIONS

The appropriation of \$3 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY24 shall revert to the general fund.

CNM has reported the following information regarding its costs and how it would spend the appropriation.

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Curriculum Development & Fringe Benefits	\$ 55,000
Supplies (Laptops):	\$ 50,400
Licensing Agreements:	\$ 202,500
Tuition Waivers (200 students)	\$ 1,500,000
Living Stipends	\$ 800,000
Indirect Costs	<u>\$ 391,185</u>
<b>TOTAL</b>	<b>\$ 2,999,085</b>

Previously, CNM used other funding sources for its boot camp programs to subsidize the cost. According to CNM, 54 percent of its graduates are employed in industry-related jobs.

MFV/al