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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/7/22

SPONSOR Serrato/Lujan LAST UPDATED \_\_\_\_\_ HB 159

SHORT TITLE College & Career Readiness Programs SB \_\_\_\_\_

ANALYST Fischer

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY22	FY23		
	\$500.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Public Education Department (PED)

Higher Education Department (HED)

### SUMMARY

#### Synopsis of Bill

House Bill 159 appropriates \$500 thousand from the general fund to the Public Education Department to provide third-party short- and long-term college and career readiness programming at public high schools. There is no effective date of this bill. It is assumed that the effective date is 90 days following adjournment of the Legislature.

### FISCAL IMPLICATIONS

The appropriation of \$500 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2023 shall revert to the general fund. Although House Bill 159 does not specify future appropriations, expanding an existing program's funding could create an expectation that that level of funding will continue in future fiscal years, therefore this cost is scored as recurring.

**SIGNIFICANT ISSUES**

New Mexico has made significant investments in career technical education (CTE). During the 2019 legislative session, Chapters 2 and 61 of Laws 2019 established the Next Gen CTE Pilot program and created a CTE fund. The Next Gen CTE Pilot authorizes the Public Education Department to make grants to school districts and charter schools to establish CTE programs or provide professional development and training to CTE teachers.

As of February 7, 2022, the CTE fund had unencumbered balances of \$2.3 million. The General Appropriations Act (House Bill 2) as passed by the House Appropriations and Finance Committee, includes an additional \$10 million in nonrecurring funding for the CTE fund.

Beyond CTE, the Public Education Department's College and Career Readiness Bureau also administers other programming that could benefit from the appropriations in HB159. These programs include Careers2Communitites, Dual Credits and other college acceleration, school counseling programs, an early warning system for potential dropouts, Free Application for Federal Student Aid (FAFSA) help, and the department's summer enrichment internship programs.

MF/al/acv