

LFC Requester:	LFC
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**AGENCY BILL ANALYSIS
2025 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Click all that apply:

Original Amendment
Correction Substitute

Date 2025-02-21
Bill No: HB560

Sponsor: <u>Chatfield, Jack</u>	Agency Name and Code <u>NMHED</u>
Short <u>WORKFORCE</u>	Number: _____
Title: <u>READINESS PROGRAMS</u>	Person Writing <u>Weber, Jody</u>
	Phone: <u>6179089730</u> Email <u>jody.weber@hed.nm.gov</u>

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
N/A	\$20,000.00	recurring	GF

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act:

SECTION III: NARRATIVE

BILL SUMMARY

House Bill 560 (HB560) introduces amendments to New Mexico's Public School Code by establishing a "workforce readiness pathway" as a graduation option. This pathway allows students to fulfill requirements through professional certification programs, dual credit courses, apprenticeships, or on-the-job training. The legislation mandates all high schools to develop apprenticeship programs in collaboration with the New Mexico Department of Workforce Solutions (NMDWS).

Schools must implement student engagement strategies to support participation in these programs, while the New Mexico Public Education Department (NMPED) is required to create both a comprehensive attendance monitoring plan and a system to evaluate program effectiveness. The bill appropriates twenty million dollars (\$20,000,000) in non-reverting funds from the General Fund to NMPED, allocated annually starting FY26 to sustain workforce readiness initiatives.

The NMHED's analysis of this bill focuses on the higher education implications of the proposed legislation. Additional insight may be obtained from other agencies' analyses.

FISCAL IMPLICATIONS

House Bill 560 (HB560) introduces amendments to New Mexico's Public School Code by establishing a "workforce readiness pathway" as a graduation option. This pathway allows students to fulfill requirements through professional certification programs, dual credit courses, apprenticeships, or on-the-job training. The legislation mandates all high schools to develop apprenticeship programs in collaboration with the New Mexico Department of Workforce Solutions (NMDWS).

Schools must implement student engagement strategies to support participation in these programs, while the New Mexico Public Education Department (NMPED) is required to create both a comprehensive attendance monitoring plan and a system to evaluate program effectiveness. The bill appropriates twenty million dollars (\$20,000,000) in non-reverting funds from the General Fund to NMPED, allocated annually starting FY26 to sustain workforce readiness initiatives.

Workforce readiness pathway options include:

- a certification program aligned with the state's workforce needs through which a student may earn a certification in a professional field with high workforce demand, including health care, technology, skilled trades, and renewable energy;
- enrollment in dual credit courses through an institution of higher education in the state;
- an apprenticeship or employment with a local employer that has established a partnership with the student's school for the purposes described in the relevant section of the bill; and
- on-the-job training and mentorship that offers an opportunity for high school students to learn directly from professionals in various professional fields.

Every high school must develop an apprenticeship program and every school with a workforce readiness program shall collaborate with NMDWS to ensure its alignment with industries with high labor demand and local labor market needs.

To improve engagement, schools must implement strategies that include:

- initiating programs to expose students to career pathways through career fairs, internships, and visits to work sites in various industries;
- developing individualized student learning plans that incorporate students' career interests and goals; and
- recognizing of students through rewards, public acknowledgment, honors, and incentives for participation and achievement in workforce readiness programs.

NMPED shall develop a comprehensive plan that includes:

- early intervention programs that identify students who are at risk of chronic absenteeism and provide them with targeted support, including tutoring, mentorship, and family engagement strategies;
- flexible scheduling and virtual learning options for students who participate in workforce readiness pathways; and

- engagement of employers and community organizations to assist with providing incentives and supporting students in workforce-related learning activities.

Annually, NMPED in collaboration with NMDWS shall evaluate the effectiveness of the workforce readiness programs, including documentation of: (1) the number of students who completed a certification, dual credit course or apprenticeship; (2) the post-graduation employment rate of students who previously participated in workforce readiness programs; and (3) the impact on student attendance and engagement rates. NMPED shall submit an annual report to the legislature that describes the progress of workforce readiness programs, attendance improvement strategies, and their effectiveness.

SIGNIFICANT ISSUES

HB560 requires every high school to establish an apprenticeship program. High-quality high school apprenticeship programs share several key elements. These programs address the needs of students, businesses, and local school districts by aligning with the skills and competencies businesses require. Additionally, they integrate academic and technical standards from both secondary and post-secondary education while meeting industry-recognized credentialing and certification benchmarks. Finally, they maintain strong connections to adult apprenticeship programs within the community.

- HB560 does not provide a plan for selecting or training employers to provide educational apprenticeships for students.
- HB560 does not specify a mechanism for academic oversight of apprenticeships or on the job training programs.
- HB560 may require extra resources for student advising at both high schools and higher education institutions.
- HB560 does not specify funding for higher education institutions to support dual credit or career and technical education (CTE) training and certifications.
- HB560 may assign new functions and duties to NMHED as part of the required evaluation process.

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The Public School Code will not be amended to create a new section allowing students to choose a "workforce readiness pathway" as part of their graduation requirements.

AMENDMENTS

N/A