LFC Requester:

Sunny Liu

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

<u>AgencyAnalysis.nmlegis.gov</u> and email to <u>billanalysis@dfa.nm.gov</u> (Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

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

Date Prepared	1/24/25	Check all that apply:			
Bill Number:	SB0064	Original <i>x</i> _	Correction		
		Amendment	Substitute		

Sponsor: Craig W. B	randt, Yanira Gurrola	Agency and Coo Number	de 1	Dept.	ept. of Workforce Solutions-63	
	School Career	Person	Writing		Sarita N	Vair
Short Title:	Development	Phone:	505-263-3	187	Email	Evan.Sanchez@dws.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropr	iation	Recurring	Fund Affected	
FY26	FY27	or Nonrecurring		
\$1,500	\$1,500		General Fund	

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring	Fund
FY26	FY27	FY28	or Nonrecurring	Affected
\$0	\$0			

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$75.0	0	0	\$75.0		

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

SB64 creates a three-year career development success pilot project in PED to determine whether more students are prepared to enter the workforce after graduation if the state provides a specified financial incentive amount to local education agencies (LEAs), which include school districts and charter schools, that encourage student enrollment and successful completion of career development programs (apprenticeships, pre-apprenticeships, internships, career and technical education). It requires PED, in collaboration with DWS and postsecondary institutions, to identify career development programs in each LEA. It further requires PED to establish tiered financial incentives based on the cost of each career development program. PED would annually report on program outcomes, including comparing the number of successful student completers of a career development program with the number of successful student completers prior to the pilot project.

FISCAL IMPLICATIONS

In the first year of this bill's implementation, DWS would need to dedicate a portion of time from one program coordinator, one staff person from the State Apprenticeship Office, and one economist from the Economic Research & Analysis Bureau, totaling approximately \$75,000 in year 1. Because DWS administers apprenticeship and pre-apprenticeship programs, the department would be responsible for determining which, if any, of these programs are accessible in each school district and charter school. With PED required to establish tiers of financial incentives based on each program's cost, DWS would need to quantify the cost for PED of each of these programs for these programs DWS administers. Although the costs of each type of program would be similar in each district and charter school, there might be variances depending on the intensity and specific characteristics of each program, requiring DWS to analyze the cost of each LEA's programs. DWS would also need to inform PED's reporting requirements of the bill, and may need to provide ongoing access to wage data and the associated technical expertise. Since the appropriation listed is for the program, \$75,000 could be appropriated directly into DWS's budget to fund its role in the program.

SIGNIFICANT ISSUES

Providing comparative research on the impacts of increased financial encouragement for career connected learning, career and technical education and work-based learning would help inform state policymakers about the effects of these contributions.

PERFORMANCE IMPLICATIONS

None

ADMINISTRATIVE IMPLICATIONS

None

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None

TECHNICAL ISSUES

None

OTHER SUBSTANTIVE ISSUES

None

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

A continued lack of information about the impacts of financial incentives to school districts for supporting career development and learning programs in New Mexico.

AMENDMENTS