

LFC Requester: Mercer-Garcia



**PUBLIC EDUCATION DEPARTMENT
BILL ANALYSIS
2025 REGULAR SESSION**

SECTION I: GENERAL INFORMATION

Check all that apply:

Original Amendment
Correction Substitute

Date Prepared: 02/10 /25
Bill No: SB317

Agency Name and Code: PED - 924

Sponsor: Brandt

PED Lead Analyst: Evan Chavez

YOUTH APPRENTICE

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Short INTERNSHIP OPPORTUNITY

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SECTION II: FISCAL IMPACT

(Parenthesis () Indicate Expenditure Decreases)

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
\$25,000.0	None	Nonrecurring	GF

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
None	None	None	N/A	NFA

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	None	None	None	None	N/A	NFA

Duplicates/Relates to Appropriation in the General Appropriation Act: The [House Appropriations and Finance Committee Substitute for House Bill 2](#) includes a \$40 million appropriation to the Public Education Department for the career technical education pilot project, including career technical student organizations, innovation zones and work-based learning initiatives, \$30 million of which is from the general fund, and \$10 million of which is from the career technical education fund.

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: Senate Bill 317 (SB317) would create the Youth Internship Opportunity Program in America's Job Center New Mexico (AJCNM) to increase youth employment opportunities, foster workforce readiness, and develop in-demand skills in industries such as health care, trades, information technology, and agriculture. SB317 would require participants 16 to 18 years old to be paid an hourly wage between \$15 to \$17 per hour, for up to 400 hours. The bill would also require the AJCNM to monitor and collect data for annual reporting to be submitted to the Governor and Legislature.

This bill does not provide an effective date. Laws go into effect 90 days after the adjournment of the Legislature enacting them, unless a later date is specified. If enacted, this bill would become effective June 20, 2025.

FISCAL IMPLICATIONS

This bill appropriates \$25 million from the general fund to the New Mexico Department of Workforce Solutions (DWS) for expenditure in FY25 through FY27 for America's Job Center New Mexico to conduct youth internship opportunity programs. Any unexpended or unencumbered balance remaining at the end of fiscal year 2027 would revert to the general fund.

SIGNIFICANT ISSUES

The DWS, alongside state and local workforce development boards, changed the name of the New Mexico Workforce Connection to America's Job Center New Mexico to align with the nationwide American Job's Center network.

New Mexico has nearly 22,444 students enrolled as career-technical education (CTE) concentrators (students enrolled in two or more aligned CTE classes) across 119 school districts and charter schools. Rule [6.33.3 NMAC, Pre-apprenticeship Program](#), provides guidance for school districts and pre-apprenticeship programs to develop memoranda of agreement ensuring the participating students receives exploratory training and skill development linked to career pathways at no cost to the student.

The U.S. Department of Labor uses the "[primary beneficiary test](#)" to determine whether a student is classified as an intern or an employee under the Fair Labor Standards Act (FLSA). If analysis of these circumstances reveals that an intern or student is an employee, then they are entitled to minimum wage and overtime pay under the FLSA.

Apprenticeships are work-based learning opportunities that can provide high school students with academic and workplace skills that lead to post-secondary education opportunities and careers. School districts and their local labor market can adapt apprenticeships to meet their needs by combining academic and technical classroom instruction with career exploration. In New Mexico, an apprentice can be a person at least 16 years old who is covered by a written agreement with an employer ([Section 50-7-2 NMSA 1978](#)).

PERFORMANCE IMPLICATIONS

The statewide average graduation rate for the 2022-2023 school year was 76.6 percent, however CTE concentrators experienced a higher graduation rate at 95.8 percent. The provisions of SB317 may further impact graduation rates.

ADMINISTRATIVE IMPLICATIONS

None.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to:

- [House Bill 246](#), Increase Minimum Wage, which would increase the minimum wage for certain employees to \$17 per hour and provide for certain students enrolled in CTE programming to earn minimum wage funds.
- House Bill 433, Study Career & Technical Education, which proposes to require the Higher Education Department to collaborate with the Public Education Department, DWS, and the Legislative Education Study Committee to study CTE.
- Senate Bill 64, School Career Development Success Project, which proposes the project as a three-year pilot.
- Senate Bill 130, School Career Tech Ed. Program Units, which proposes to create a CTE program unit to be added to the total program cost calculation.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

None.

AMENDMENTS

None.