

<b>LFC Requester:</b>	<b>Travis Dulany</b>
-----------------------	----------------------

**AGENCY BILL ANALYSIS  
2018 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:**

**[LFC@NMLEGIS.GOV](mailto:LFC@NMLEGIS.GOV)**

*and*

**[DFA@STATE.NM.US](mailto: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}*

Check all that apply: Date 01/25/18  
**Original**     **Amendment**        **Bill No:** HB78  
**Correction**     **Substitute**   

**Sponsor:** Rep. Cathrynn N. Brown  
Rep. Rebecca Dow    **Agency Code:**    924  
Rep. Dennis J. Roch  
**Short Title:**    CAREER & TECHNICAL    **Person Writing**    Matt Montano  
STUDENT ORGANIZATIONS    **Phone:** 505-827-6045    **Email**    Matthew.montano1@state.nm.us

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY18	FY19		
	\$400.0	Nonrecurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY18	FY19	FY20		
None	None	None		

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	None	None	None			

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Companion to: SB53

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Synopsis: HB78 appropriates \$400,000 from the general fund to the Board of Regents at Eastern New Mexico University to fund six state-chartered career and technical student organizations statewide.

**FISCAL IMPLICATIONS**

\$400,000 would be appropriated from the general fund to the Board of Regents of ENMU for expenditure in FY19. Unexpended or unencumbered funds revert to the general fund.

**SIGNIFICANT ISSUES**

CTSOs support career and technical programs, beginning in high school and continuing into postsecondary education. Historically, the PED's College and Career Readiness Bureau (CCRB) has partnered with ENMU to provide such resources and leadership for CTSOs in New Mexico.

Six CTSOs would be supported with this program at current funding levels. Since 2012, the CTSOs below have been supported through targeted funding:

1. Business Professionals of America;
2. Distributive Education Clubs of America (known as DECA);
3. Family, Career and Community Leaders of America;
4. Skills USA;
5. Technology Student Association; and
6. Health Occupations Students of America.

The Executive Budget Request includes funding for the Graduates Now initiative, which has historically supported CTSOs. In FY18 ENMU received \$450,000 in funding for these six CTSOs from PED, including \$133,000 from the Graduates Now Initiative and \$317,000 from discretionary funds from the Carl D. Perkins Career Technical Education Act.

**PERFORMANCE IMPLICATIONS**

**ADMINISTRATIVE IMPLICATIONS**

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

## **TECHNICAL ISSUES**

While the bill mentions six CTSOs, it fails to identify them. Educators Rising, formerly known as Future Educators of America, is also a CTSO that supports students who are interested in becoming teachers. The United States Department of Education recognizes Educators Rising as a fundable CTSO and NM PED funded \$30,000 through the NM Graduates Now Initiative in 2017-18. The proposed legislation does not acknowledge that CTSOs have traditionally been funded “below-the-line”.

## **OTHER SUBSTANTIVE ISSUES**

Career Technical Education participants are shown to have higher graduation rates than their non-CTE counterparts. This is independent of participation in CTSOs. PED continues to champion increased and improved CTE programs within schools as they have demonstrated clear return on investment. CTSOs have not demonstrated a clear RoI to date, and their per-pupil costs exceed other investments that PED makes for CTE programs. While we believe CTSOs to be a worthwhile investment for the state, funding them through the Graduates Now Initiative gives the PED the ability to work with Eastern New Mexico University to ensure that we are providing robust opportunities for students and that we are seeing results.

## **ALTERNATIVES**

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

CTSOs will continue to request funding as part of New Mexico Graduates Now and be required to show a return-on-investment based on the terms (metrics, strategies, outcomes) of the funding provided to them.

## **AMENDMENTS**