

LFC Requester:	Sunny Liu
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**AGENCY BILL ANALYSIS
2019 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}

Check all that apply: **Date** 2/11/19
Original **Amendment** _____ **Bill No:** HB435
Correction **Substitute** _____

Sponsor: Rep. Patricia Roybal Caballero **Agency Code:** 924
Short SCHOOL DEVELOPMENT **Person Writing** Daniel Manzano
Title: PATHWAY PLANS **Phone:** 505-670-3820 **Email** Daniel.Manzano@state.nm.us

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY19	FY20		
NFI	NFI	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY19	FY20	FY21		
NFI	NFI	NFI	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI			

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: None noted
 Duplicates/Relates to Appropriation in the General Appropriation Act: None noted.

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

HB435 adds a new and unfunded section to the Public School Code requiring that school districts, the public education commission and community partners (ie. institutions of higher learning, local business, union or trade association) collaborate to develop pathway plans and that they be reviewed annually.

FISCAL IMPLICATIONS

HB435 does not contain an appropriation.

The operational budget of the Public Education Department (PED) could be impacted if the PED takes on additional responsibilities regarding pathway development and implementation. The College and Career Readiness Bureau (CCRB) has resources¹ and materials² to support pathway creation in public schools. Annual review of pathway justifications is currently performed by CCRB staff as part of the administration of Carl D. Perkins Career Technical Education (CTE) funds. Perkins funding is provided to approximately 25 districts in New Mexico. Additional professional staff or contractors would be required in order for PED to support pathway development for all districts and charter schools that serve middle and/or high school level students.

SIGNIFICANT ISSUES

The Public Education Commission (PEC) consists of ten elected Commissioners to serve for staggered terms of four years as provided by law. Commission members are residents of the district from which they are elected. The PEC is the authorizer for all state chartered charter schools in New Mexico and the agent for federal CTE funds (Perkins). Administrative responsibilities for CTE oversight are delegated to the PED. It is unclear what role the PEC would take in providing for the development of pathway plans.

The bill requires “districts and community partners” to report on their pathway plans. Districts are required to conduct an assessment on needs and abilities and work with community partners to develop potential pathways based on existing school offerings. Rural districts are encouraged to partner together to develop a regional pathway plan. The bill does not address how to

¹ <http://www.careerpathways-nm.com/>

² https://webnew.ped.state.nm.us/wp-content/uploads/2018/10/CareerClustersBook_2018_-FINAL.pdf

incorporate labor market information or economic development plans into the plans.

Currently, the only available funding for CTE in New Mexico is via the Carl D. Perkins CTE Act of 2006 (“Perkins”; “Perkins IV”) federal funding mechanism, which is formula-based and restricts funding to larger districts. Perkins funds provide financial support for districts that offer pathways that are responsive to the needs to the community and workforce. HB435 requires all New Mexico districts to develop pathway plans, but does not provide any funding mechanism for the implementation of those courses (especially equipment costs and appropriate professional development and technical certifications).

The second portion of HB435 (page 3) specifies that a school district shall collaborate with the PEC and a community partner to create a pathway program. It requires community partners “to volunteer and provide technical knowledge” (line 10). The bill defines community partners as local businesses, unions, trade associations, and high education institutions. It is unclear if community partners are willing to volunteer and provide technical assistance as specified.

PERFORMANCE IMPLICATIONS

The development of CTE pathways is a best practice in CTE and offering career pathways is an element of High Quality CTE.³ New Mexico students who concentrate in CTE are more likely than other students to graduate from high school.

ADMINISTRATIVE IMPLICATIONS

No PED administration implications were specified in HB435; however, administrative support from PED would likely be required in order for districts to develop their plans.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None noted.

TECHNICAL ISSUES

HB435 states that school districts and community partners shall report to the department on their pathway plans no later than January 1, 2020; however, it does not define which department. Page 1, row 19 suggests an active role for the public education commission, not the public education department.

OTHER SUBSTANTIVE ISSUES

The US Department of Education received the Strengthening Career and Technical Education for the 21st Century Act in summer, 2018. Known as “Perkins V,” the Act requires New Mexico to hold stakeholder engagement meetings and develop a state plan for CTE. A transition year plan is due to the Department of Education on 5/24/2019. The final plan is due 4/30/2020, and the plan implementation date is 7/1/2020 through 6/30/2024.

Mandatory components of the state plan include stakeholder engagement and labor-market supported pathways that provide clear transitions into postsecondary education and culminate in

³ <https://www.acteonline.org/professional-development/high-quality-cte-tools/>

earning credentials that are valued in the local workforce. The development and implementation of New Mexico's state plan, as specified in Perkins V, will likely address many to all of the issues addressed by HB435.

ALTERNATIVES

PED, instead of PEC, could provide oversight and administrative responsibilities for pathway plans and implementation. Direct funding for CTE and pathways could be included in education allocations, which would eliminate the need for New Mexico to comply with federal requirements for CTE pathways in districts that are unwilling to apply, or those that do not qualify for federal funds.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The PED will continue to support best practices in CTE, including the development of pathway plans, as specified in the Perkins Acts.

AMENDMENTS

None identified.