

LFC Requester:	Sunny Liu
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**AGENCY BILL ANALYSIS
2023 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 1/24/23
Original **Amendment** **Bill No:** SB108
Correction **Substitute**

Sponsor: Brandt **Agency Name and Code** PED - 924
Short Title: CAREER TECHNICAL EDUCATION PROGRAM UNIT **Number:** _____
Person Writing Gregory Frostad
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
None	None	N/A	NFA

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY23	FY24	FY25		
None	None	None	N/A	NFA

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	None	95,000.0	96,400.0	1,914,000.0	Recurring	GF

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

[HB194, Public School Finance Changes](#)

[HB130, K-12 Plus Program](#)

Duplicates/Relates to Appropriation in the General Appropriation Act: None

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: Senate Bill 108 (SB108) creates a new section of the Public School Finance Act to establish the career technical education (CTE) program unit, which shall be determined by multiplying membership (MEM) in department-approved CTE programs by a cost differential factor of 1.25. The bill also amends Section 22-8-1 NMSA 1978 of the [Public School Finance Act](#) to add the new program unit to the calculation of total program cost. The program unit would fund department-approved career technical education (CTE) beginning in the 2023-2024 school year.

FISCAL IMPLICATIONS

The number of unduplicated students who participated in at least one CTE course ranged from 66,218 in the 2020 school year to 68,838 in 2022 school year, a trend toward growth in CTE program participation. Unit value for program cost calculations in the 2023 school year have been set at \$5,522.50. If the 2024 school year numbers of students and unit value remained unchanged from the most recent available data, enacting SB108 would result in an additional expenditure of \$95 million from the General Fund to the operational budget of school districts and charter schools. If the upward participation trend continues at the same rate but the unit value remains the same, subsequent school year costs would increase to \$96.4 million in the 2025 school year. These estimates are calculated based on the assumption of an inclusive and efficient approval process as described in the Administrative Implications section below.

SIGNIFICANT ISSUES

The Public Education Department's (PED's) [Strategic Plan](#) aligns career technical education and other experiential learning opportunities with the overarching goal of increasing students' successful completion of high school. SB108 would increase the operational funding of schools offering approved CTE programs, and the proposed streamlined approval process would encourage schools to support objectives and strategies prioritized by PED:

- Increase the number of students graduating from high school ready for college and career;
- Increase the diversity of students, including students with disabilities, participating in and earning industry-recognized certificates in CTE;
- Replicate and refine successful college readiness and internship program models at schools serving significant percentages of Native American and African American students;
- Increase the number of students who participate in and successfully complete experiential learning opportunities, such as career-technical education (CTE);
- Consistently implement effective college and career preparatory practices and

- experiential learning practices aligned to local and statewide graduate profiles;
- Facilitate an effective transition for students from high school to either college or a career pathway;
 - Increase outreach to culturally and linguistically diverse families and families of students with disabilities to ensure they are aware of different opportunities and pathways; and
 - Ensure all students have access to a counselor able to meet their transition support needs.

SB108 does not define CTE, but definitions of CTE as outlined by the agency will continue to comport with the federal definitions of CTE under Perkins. In addition, the PED Strategic Plan does interpret CTE to include work-based learning opportunities, dual credit and early college opportunities, community service-based learning opportunities, and study abroad opportunities.

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

SB108 would allow for conditional PED approval of CTE programs as a prerequisite to receive the CTE program units affecting operational funding. Implementing an efficient, streamlined approval process for CTE programs would minimize the administrative burden and satisfy the requirements of SB108 while supplying schools with the operational funds needed to achieve ambitious goals for CTE with equitable outcomes for students.

Streamlining the process will still necessitate that PED set up reporting and monitoring procedures which would include local school districts and charter schools completing a planning document for approval and ongoing monitoring. This will likely necessitate additional 1.0 FTE at the department to assure that funds are spent in alignment with objectives and strategies outlined by PED and in alignment with national research from Perkins and best practices for CTE education.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to HB130, which proposes to amend Section 22-8-18 NMSA 1978 of the Public School Finance Act to strike existing program units for the K-5 Plus (K-5+) and Extended Learning Time Programs (ELTP) and replace them with a new program unit for a proposed K-12 Plus Program (K-12+).

Relates to HB194, which also proposes to amend Section 22-8-18 NMSA 1978 of the Public School Finance Act to strike existing program units for K-5+ and ELTP and replace them with a program unit for the proposed K-12 + program.

TECHNICAL ISSUES

None

OTHER SUBSTANTIVE ISSUES

None

ALTERNATIVES

None

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

None

AMENDMENTS

None