

LFC Requester:	Helms
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SECTION I: GENERAL INFORMATION

Check all that apply:

Original Amendment
 Correction Substitute

Date Prepared: 01/27/23
 Bill No: SB211

Agency Name
and Code

Sponsor: Brandt
 Short CAREER DEVELOPMENT
 Title: SUCCESS PILOT PROGRAM

Number: PED - 924
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
\$1,200.0	\$1,200.0	Recurring	GF

(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	\$237.6 to \$712.9	\$261.0 to \$784.0	\$288.0 to \$863.0	\$787.0 to \$2,360.0	Recurring	GF

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: N/A
 Duplicates/Relates to Appropriation in the General Appropriation Act: None

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: Senate Bill 211 (SB211) would add a three-year pilot Career Development Success Program (CDSP) to the [Public School Code](#). As a program of the Public Education Department (PED), CDSP would distribute funds as financial incentives to school districts that encourage high school students to attain qualified industry credentials or complete qualified workplace training programs.

FISCAL IMPLICATIONS

SB211 would appropriate \$1.2 million from the General Fund to the state treasury each year for three years. PED would administer these funds to provide school districts with incentives ranging from \$250 to \$750 per student who, in the previous fiscal year, earned one or more qualified industry credentials. The bill would limit the amount awarded to school districts reporting more than 10 percent of all students earning such credentials, capping the awards to a value not to exceed 10 percent of the total awards statewide. The bill would also adjust all award amounts if the total distribution would exceed funds available to the program. Any unexpended or unencumbered funds would not revert to the general fund until after the pilot program term of three years.

Projected costs for FY23 are based on SY22 STARS reports from 12 school districts on the CTE Student Industry Credential Template. Projections for the next three years, based on available data, suggest that the maximum awards would not exceed available funds.

FY23 Costs Based on SY22 Students Earning Industry Credential Certifications

District	Students	Percentage	Adjusted >10%	Min \$250	Max \$750
HOBBS MUNICIPAL SCHOOLS	414	30.58%	136.5	\$34,125	\$102,375
CLOVIS MUNICIPAL SCHOOLS	214	16.31%	136.5	\$34,125	\$102,375
ALAMOGORDO PUBLIC SCHOOLS	196	14.49%	136.5	\$34,125	\$102,375
BERNALILLO PUBLIC SCHOOLS	133	9.47%	133	\$33,250	\$99,750
FARMINGTON MUNICIPAL SCHOOLS	124	8.96%	124	\$31,000	\$93,000
LOS LUNAS PUBLIC SCHOOLS	99	6.80%	99	\$24,750	\$74,250
GRANTS-CIBOLA COUNTY SCHOOLS	74	5.53%	74	\$18,500	\$55,500
BELEN CONSOLIDATED SCHOOLS	65	4.72%	65	\$16,250	\$48,750
ALBUQUERQUE PUBLIC SCHOOLS	30	2.02%	30	\$7,500	\$22,500
ROSWELL INDEPENDENT SCHOOLS	7	0.44%	7	\$1,750	\$5,250
TAOS MUNICIPAL SCHOOLS	6	0.39%	6	\$1,500	\$4,500
CLAYTON MUNICIPAL SCHOOLS	3	0.29%	3	\$750	\$2,250
Grand Total	1365	100.00%		\$237,625	\$712,875

The table below shows the number of credentials reported to have been earned since SY21. The total number of credentials earned in SY22 exceeds those from the previous school year. This may signify an upward trend given the high number of credentials earned already in the current school year. As such, SY24 and SY25 projected award costs will be estimated as increasing by 10% annually: Between \$261,000 and \$784,000 in SY24, between \$288,000 to \$863,000 in SY25.

School Year	Total Industry Credential Certifications	Districts
(In progress) SY23 Total	1002	4
SY22 Total	1392	12

SIGNIFICANT ISSUES

School districts report industry-recognized credentials that students achieve during a school year to PED Information Technology STARS data system at least twice each school year. This existing data reporting system would simplify data collection for PED to administer CDCP.

STARS information systems collect reports of student attainment of credentials granted by both industry and colleges but do not currently report completion of qualified workplace training programs that are defined in SB211 as internship, apprenticeship, or pre-apprenticeship programs. An industry-granted certificate is based on a standardized, national, industry accepted exam. A college granted certificate is based primarily on seat time. Examples of such credentials include:

- Automotive Technician
- Certified Veterinary Assistant
- Cosmetology License
- Dental Assistant License
- Educational Assistant/Paraprofessional
- Emergency Medical Technician (EMT)
- Environmental Technician
- Hotel & lodging certification
- Licensed Massage Therapist
- Real Estate License
- First Aid/CPR
- Food Handler Certification
- Welding Certification
- Wildland Firefighting

SB211 would add qualifying internships, pre-apprenticeships, and apprenticeships to the list of qualifying credentials. The impact of expanding the definition of qualifying credentials is not yet determined but would likely increase the number of credentials reported by school districts and increase the cost of the program to PED.

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

PED would be required to:

- promulgate rule to administer the program, maintain a list of qualifying credentials, and conduct analysis of the data related to the program;
- collaborate with other appropriate state agencies and community colleges and employers in promulgating rules for the program; and
- conduct outreach efforts to districts that have not yet participated in the program.

PED would also be required to provide annual and final reports to the Legislature, through the Legislative Education Study Committee and the Governor, on the efficacy of the program.

PED estimates the additional administrative responsibility would require an additional 1.0 FTE.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

N/A

AMENDMENTS

N/A