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FISCAL IMPACT REPORT

SPONSOR Sanchez, B. **ORIGINAL DATE** 01/29/09 **LAST UPDATED** 02/10/09 **HB** _____

SHORT TITLE High School Pre-Apprenticeship Programs **SB** 46/aSCORC

ANALYST Varela

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$80.5	\$80.5	\$161.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB44

SOURCES OF INFORMATION

LFC Files

Responses Received From

Regulation and Licensing Department (RLD)
Department of Workforce Solutions (DWS)
Higher Education Department (HED)
Public Education Department (PED)
Department of Finance and Administration (DFA)
Public School Insurance Authority (PSIA)

SUMMARY

Synopsis of Senate Corporations and Transportation Committee Amendment

The amendment strikes the following language: “or is otherwise acceptable to an apprenticeable trade” on page 10, line 17 after the word “council.”

Synopsis of Original Bill

Senate Bill 46 carries no appropriation.

This bill proposes the establishment of pre-apprenticeship programs in high schools by:

- Amending the high school graduation requirement statute to include pre-apprenticeship programs;
- Providing relevant definitions;

- Giving local school boards the authority to approve providers and their pre-apprenticeship programs;
- Defining procedures for applying to be provider of pre-apprenticeship programs;
- Specifying student qualifications to participate in pre-apprenticeship programs; and
- Waiving licensure requirements for industry instructors while affirming the requirement for back-ground checks.

Applications to be a provider of a pre-apprenticeship program would involve submitting an application form prescribed by the local school board that would include:

- A description of the program, materials needed, grading procedures, and qualifications of participants;
- Names and qualifications of the industry instructors and the location where the pre-apprenticeship program will be conducted; and
- Any other information deemed necessary by the local school board.

Providers would:

- Design pre-apprenticeship programs that earned elective credits, and meet during the school day at industry location whenever possible;
- Recruit, retain or dismiss students according to the conditions of their approved application; and
- Notify the district superintendent and principals of high schools if they choose to withdraw from the pilot project with a plan for continuation of the program.

Students would:

- Be at least 16 years of age and in the eleventh or twelfth grade;
- Commit the number of electives needed for the pre-apprenticeship program applied for;
- Meet any other requirements approved by the local school board; and
- Withdraw only with the approval of their high school principal.

FISCAL IMPLICATIONS

This bill carries no appropriation. Assuming that PED would staff the program to meet the stated bill requirements to administer the program, salary and benefits to staff this program are estimated at \$80.5 thousand per year. According to PED, the estimated salary and costs for this position need a designated appropriation since the Career Technical and Workforce Education Bureau anticipated to administer this program is operating in accordance with federal parameters of the Carl D. Perkins Act, which requires all Perkins funds are used to support the implementation of the Federal Perkins Act.

No career technical education FTE are funded through the state's general fund. Staff that are currently in the PED Career and Technical Workforce Education Bureau are funded through the federal vocational education grant and must document that their work is limited to the grant's activities. PED also states that there would be costs associated with the collection of data and a timeframe to pilot this program

SIGNIFICANT ISSUES

The Senate Corporations and Transportation Committee (SCORC) amendment makes clear that a school board – approved course of instruction, offered through a provider as defined in this bill, will offer a certificate of completion that is acceptable to apprenticeship training programs registered with the apprenticeship council.

According to PED, Section 22-13-1.1 NMSA 1978 (being Laws 1986, Chapter 33, Section 5, as amended) would be amended to include pre-apprenticeship programs offered as electives, and to ensure that next-step plans are expanded to include advisement in one or more career-technical courses and pre-apprenticeship programs.

New material presented in this bill is generally aligned with New Mexico’s (and other nationally identified) educational and training programs of apprenticeships, both union and non-union, that conduct apprenticeship training programs that must include a combination of on-the-job training and classroom instruction training hours. It is noted that on page 9, line 23, the use of the term “classroom” in describing hands-on training might add clarification to the intent of the definition “course of instruction.”

This bill provides a definition of “pre-apprentice” that does not include a segment of high school students at high risk of dropping out. It is conceivable that a modification of the definition could be provided to include “eligible” pre-apprenticeship students who are at least 14 years of age, are able to commit the number of electives required for the pre-apprenticeship program and meet other requirements of the pre-apprenticeship program approved by the local school board.

A definition of “on-the-job-training” (OJT) as it relates to apprenticeships is not included in the bill. Such a definition would clarify the distinctions between apprenticeship and pre-apprenticeship training programs, since the high school pre-apprenticeship training program described in this bill excludes OJT. Exclusion of OJT is purposeful in that it allows the pre-apprenticeship program to stay within the parameters of school instructional hour limitations, insurance, and safety requirements pertaining to certain younger aged participants, such as high school students.

PED also states that on page 10, lines 24-25 and page 11, lines 1-8 of Senate Bill 46 limit access of the pre-apprenticeship program to qualified 11th and 12th grade high school students and references a generic approach for school board approval of courses of instruction, industry instructors and meeting PED content and performance standards. An alternative clarification to include specific board approval of the providers and pre-apprenticeship programs to meet apprenticeship requirements of the apprenticeship council (as stated) and to address entry into an agreement that specifies the responsibilities for courses of instruction and program costs related to instructor(s), tools, supplies and textbooks, as well as program curriculum offerings to meet PED content and performance standards and the associated “no-costs” for such curriculum, could add clarification to this section.

According to PED, page 11, line 9 appears to place a burden on the school board when in actuality the superintendent, on behalf of the school, could submit a proposal to the local school board that included recommendations regarding the program. The proposal could address, among the items noted on page 12, lines 1-7, a provision for the student to request a change in registration (add, drop, withdrawal) that includes all necessary forms and explanation of

procedures required to complete such change; and provision for the provider who wishes to cease its pre-apprenticeship program, that includes necessary forms and explanation of how to notify the local school board, the superintendent and the principals of the pre-apprentices' high schools. The notification should include a plan for the continuation of the pre-apprenticeship program of the pre-apprentices currently enrolled in the provider's program.

PED states that page 11, lines 15-24 does not provide for a student to earn specific non-elective credit applicable to high school graduation requirements when the industry instructor is highly qualified in the specific content area.

PED states that page 12, line 25 through page 13, lines 1-6 could be addressed in the definitions section under “eligible pre-apprenticeship student” and the student age could be designated at 14 and able to commit the number of electives required for the pre-apprenticeship program.

PED states that page 13, lines 24-25 through page 14, 1-12 is a licensure exception. Currently the bill indicates the pre-apprenticeship courses will be elective. However, if the courses become eligible for non-elective credit applicable to high school graduation requirements, then there are considerations to address.

RELATIONSHIP

HED States that Senate Bill 46 and House Bill 44 both propose pre-apprenticeship programs and have significant overlap. However, their approaches are in conflict. House Bill 44 proposes a pilot project directed by the Public Education Commission and requires reports of the outcomes of the pilot project. It requests an appropriation of \$500 thousand to fund the pilot project. Senate Bill 46 leaves control in local school boards without a pilot project. It has no specified duties for the Public Education Commission and Public Education Department, and does not request an appropriation.

Senate Bill 46 proposes changes to statutory high school graduation requirements specifying possible roles for pre-apprenticeship programs. House Bill 44 assumes that the elective credits earned in pre-apprenticeship programs will satisfy the existing graduation requirements.

TECHNICAL ISSUES

According to HED, graduation requirements in Section I of the New Mexico Statute 22-13-1.1 indicate that students must have one unit in one of the following: a career cluster course, workplace readiness or a language other than English. It is not clear in the bill if pre-apprenticeship programs could fulfill the one unit of a career cluster course or workplace readiness.

OTHER SUBSTANTIVE ISSUES

In order to address the content of 2008 HM 46(Berry)/SM 36 (Sanchez), data and information were gathered during the interim by a pre-apprenticeship feasibility study group consisting of PED, the Higher Education Department, the Department of Workforce Solutions and the trades – both union and non-union. Representatives met and compiled considerations that were presented to interim committees in 2008, including the Legislative Education Study Committee, Economic and Rural Development Committee, Welfare Reform Oversight Committee and Revenue

Stabilization and Tax Policy Committee. The recommendations of the feasibility study group were as follows:

- Support legislation for the creation and funding of a New Mexico pre-apprenticeship curriculum pilot project that will provide student access to apprenticeable careers, training from industry experts, industry-recognized certification in pre-apprenticeship courses and elective or dual credits toward high school graduation. The purpose of such legislation is to prepare high school students for apprenticeable occupations.
- Request that the Public Education Commission (PEC) and PED coordinate with the State Apprenticeship Council and/or the U.S. Department of Labor Office of Apprenticeship for the creation and oversight of pre-apprenticeship program standards.
- Recommend that within a pre-apprenticeship program components be included to address coursework on employability skills, communication skills, basic safety, introduction to apprenticeable occupations, ethics and other skill sets as determined by the industry sponsor.
- Request periodic progress reports from the PED on student and provider progress through the pilot program. Data will be used to gather information on the implementation of the pilot program's impact on building a statewide system of industry partnerships with public and postsecondary education and to review pilot outcomes.
- Support the further development of career technical education as an integral part of public education in the 21st century.
- Request that the state departments of economic development, workforce development, public education, higher education and industry collaborate to provide effective linkages for pooling of data, planning and coordinating service delivery for current and emerging workforce needs.
- Request PED sustain support for CTE partnerships that prepare students for entry into the workforce or postsecondary education.
- Seek state, federal and private funding for student opportunities to explore apprenticeable occupations via activities that may yield high school credit toward graduation.
- Support the creation of a strategic, comprehensive public information campaign to promote among parents, students, educators and businesses the benefits of CTE and industry-education partnerships.

ALTERNATIVES

PED states that consideration of components related to House Bill 44, which addresses implementation of pre-apprenticeship training opportunities and an appropriation. For the legislation to be meaningful and relative to the needs of New Mexico's students, longitudinal data collection is needed to provide the PED and the Legislature with appropriate data to determine impact. There would be costs associated with the collection of data and a timeframe to pilot this program.

The age designated within the bill should also be reconsidered to address critical needs of students who are at risk. At question is whether the identified age of 16 supports all of the needs.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The potential to expand career technical education opportunities for high school students through the possible delivery of a public-private partnership offering a pre-apprenticeship training program will not be available.

PV/mt:svb