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FISCAL IMPACT REPORT

ORIGINAL DATE 3/3/2015
 SPONSOR Garcia Richard LAST UPDATED 3/14/2015 HB 553
 SHORT TITLE ENMU SkillsUSA Program SB _____
 ANALYST Hartzler

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY15	FY16		
	\$25.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$25.0	\$25.0	\$50.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 338, Career Technical Student Organizations

Duplicates SB 659, ENMU Skills USA Program

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

SUMMARY

Synopsis of Bill

House Bill 553 appropriates \$25 thousand from the general fund to Eastern New Mexico University (ENMU) to support the SkillsUSA Program. SkillsUSA is a national organization serving teachers and high school and college students who are preparing for careers in technical, skilled and service occupations, including health occupations and for further education.

FISCAL IMPLICATIONS

The appropriation of \$25 thousand contained in this bill is a recurring expense to the general fund. Under the bill, any unexpended or unencumbered balance remaining at the end of FY16

shall revert to the general fund. However, if this appropriation for SkillsUSA is included in Section 4 of the General Appropriation Act, the funding will not revert to the general fund pursuant to legislative language governing that section.

HED notes that this program was not submitted by ENMU as part of its FY16 budget request. As such, it did not receive a review by the department, the Department of Finance and Appropriations, and LFC during the annual budget process. HB 2, as passed by the House and amended by the Senate Finance Committee, includes a \$25 thousand general fund appropriation for career technical programs, which could include SkillsUSA.

Should HB 553 and HB 2, as amended by the Senate Finance Committee, be enacted, ENMU would serve as the fiscal agent, though program funds would be used by ENMU-Roswell, ENMU-Ruidoso, and other community colleges.

SIGNIFICANT ISSUES

SkillsUSA, one of many federally-recognized career and technical education (CTE) programs, serves teachers and high school and college students who are preparing for careers in technical, skilled and service occupations, including health occupations and for further education. The organization

- sponsors national skills-based competitions.
- promotes the Workforce Ready System that helps students document entry-level skills as defined by industry and accepted by state education policy.
- sponsors the Professional Development Program that teaches 84 workplace skill competencies in a series of hands-on self-paced lessons.
- promotes the Career Skills Education Program that contains 49 online lessons teaching basic employment and life skills to college/postsecondary students.
- hosts a student mentoring program that gives high school students a chance to mentor younger students in the area of career development.
- sponsors CareerSafe, a credentialed 10-hour online training program developed in cooperation with the Occupational Safety and Health Administration (OSHA) to provide students with basic knowledge of safety and a credential desired in the job market.

The Region IX Education Cooperative, which is administratively-attached to the Public Education Department, administers funds for six CTE programs. According to the New Mexico Director of SkillsUSA, the federal funds supporting these programs has been reduced from about \$600 thousand in 2005 to a present level of about \$300 thousand per year.

PERFORMANCE IMPLICATIONS

The bill does not contain performance measures, though two-year colleges could report annually the number of students who participate in SkillsUSA programming and successfully enter the workforce upon program completion.

DUPLICATION

HB 533 duplicates SB 659.

TH/bb/je/aml/je