AN ACT

RELATING TO DEVELOPMENT TRAINING; CHANGING CERTAIN PROVISIONS OF THE DEVELOPMENT TRAINING PROGRAM TO PERMIT USE OF TRAINING FUNDS FOR PART-TIME EMPLOYEES AND TO ALLOCATE HOURLY TRAINING FUNDS BY FULL-TIME-EQUIVALENT POSITION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 21-19-7 NMSA 1978 (being Laws 1983, Chapter 299, Section 1, as amended) is amended to read:

"21-19-7. DEVELOPMENT TRAINING. --

- A. The economic development department shall establish a development training program that provides quick-response classroom and in-plant training to furnish qualified manpower resources for new or expanding industries and non-retail service sector businesses in New Mexico that have business or production procedures that require skills unique to those industries. Training shall be custom-designed for the particular company and shall be based on the special requirements of each company. The program shall be operated on a statewide basis and shall be designed to assist any area in becoming more competitive economically.
- B. There is created the "industrial training board" composed of:
- $\mbox{(1)} \quad \mbox{the director of the economic development} \\ \mbox{division of the economic development department;} \\$

- (2) the director of the vocational education division of the state department of public education;
- (3) the director of the job training division of the labor department;
- (4) the executive director of the commission on higher education;
- (5) one member from organized labor appointed by the governor; and
- (6) one public member from the business community appointed by the governor.
- C. The industrial training board shall establish policies and promulgate rules for the administration of appropriated funds and shall provide review and oversight to assure that funds expended from the development training fund will generate business activity and give measurable growth to the economic base of New Mexico within the legal limits preserving the ecological state of New Mexico and its people.
- D. Subject to the approval of the industrial training board, the economic development division of the economic development shall:
- administer all funds allocated or appropriated for industrial development training purposes;
 - (2) provide designated training services;
- (3) regulate, control and abandon any training program established under the provisions of this

section;

- (4) assist companies requesting training in the development of a training proposal to meet the companies' manpower needs;
- (5) contract for the implementation of all training programs;
- (6) provide for training by educational institutions or by the company through in-plant training, at the company's request; and
- (7) evaluate training efforts on a basis of performance standards set forth by the industrial training board.
- E. The vocational education division of the state department of public education shall provide technical assistance to the economic development department concerning the development of agreements, the determination of the most appropriate instructional training to provide and the review of training program implementation.
- F. The state shall contract with a company or an educational institution to provide training or instructional services in accordance with the approved training proposal and within the following limitations:
- (1) payment shall be made for up to one thousand forty hours of training per full-time-equivalent position;

- (2) training applicants shall have resided within the state for a minimum of one year immediately prior to the commencement of the training program and be of legal status for employment; provided, however, that prior to July 1, 2004 the residency requirements may be waived in part for projects within New Mexico communities located within fifty miles of the state border if the project meets the following criteria:
- (a) the project will employ more than one thousand five hundred employees;
- (b) the resident labor force within a fifty mile radius of the project location is not sufficient to fill the full-time-equivalent position requirements of the project as determined by the labor department;
- (c) preference for training shall be given to New Mexico residents; and
- (d) no less than fifty percent of the project's work force shall be residents of New Mexico;
- (3) payment for institutional classroom training shall be made under any accepted training contract for a qualified training program;
- (4) no payment shall be made under any accepted training contract for rental of facilities unless facilities are not available on site or at the educational institution:

- (5) all applicants shall be eligible under the federal Fair Labor Standards Act and shall not have terminated a public school program within the past three months except by graduation;
- (6) trainees shall be guaranteed employment with the contracted company upon successful completion of the training;
- (7) persons employed to provide the instructional services shall be exempt from the minimum requirements established in the state plan for other state vocational programs; and
- (8) no payment shall be made for training programs or production of Indian jewelry or imitation Indian jewelry unless a majority of those involved in the training program or production are of Indian descent."