## HOUSE BILL 8

## 48th legislature - STATE OF NEW MEXICO - second session, 2008

## INTRODUCED BY

Ben Lujan

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AN ACT

RELATING TO DEVELOPMENT TRAINING; PROVIDING FOR MEMBERS AND DESIGNEES ON THE INDUSTRIAL TRAINING BOARD; REQUIRING THAT UP TO TWO-THIRDS OF DEVELOPMENT TRAINING PROJECTS BE LOCATED IN URBAN AREAS OF THE STATE AND THE REMAINDER BE LOCATED IN NONURBAN COMMUNITIES; MAKING AN APPROPRIATION; DECLARING AN EMERGENCY.

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.--

The economic development department shall establish a development training program that provides quick-response classroom training, in-plant training and skillenhancement training to furnish qualified [manpower] work force .171399.1

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resources for new or expanding industries, nonretail service
sector businesses and film and multimedia production companies
in New Mexico that have business or production procedures that
require skills unique to those industries. Training shall be
custom designed for, and based on the special requirements of,
each company or preemployment training program for the film and
multimedia industry. 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:
- (1) the director of the economic development division of the economic development department or the director's designee from that division;
- (2) the director of the <u>instructional support</u>

  <u>and</u> vocational education division of the public education

  department <u>or the director's designee from that division;</u>
- [(3) the director of the governor's office of workforce training and development;
- (4)] (3) the [executive director of the commission on] director of the workforce education division of the higher education department or the director's designee from that division;
- [<del>(5)</del> an employee] <u>(4)</u> a representative of the department of [<del>labor</del>] workforce solutions;

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1	[ <del>(6)</del> ] <u>(5)</u> one member from organized labor
2	appointed by the governor; and
3	$[\frac{(7)}{(6)}]$ one public member from the business
4	community appointed by the governor.
5	C. The industrial training board shall establish
6	policies and promulgate rules for the administration of
7	appropriated funds and shall provide review and oversight to
8	assure that funds expended from the development training fund
9	will generate business activity and give measurable growth to
10	the economic base of New Mexico within the legal limits while
11	preserving the ecological state of New Mexico and its people.
12	D. Subject to the approval of the industrial
13	training board, the economic development division of the
14	economic development department shall:
15	(1) administer all funds allocated or
16	appropriated for industrial development training purposes;
17	(2) provide designated training services;
18	(3) regulate, control and abandon any training
19	program established under the provisions of this section;
20	(4) assist companies requesting training in
21	the development of a training proposal to meet the companies'
22	[manpower] work force needs;
23	(5) contract for the implementation of all
24	training programs;
25	(6) provide for training by educational
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institutions or by a company through in-plant training, at that company's request; and

- (7) evaluate training efforts on a basis of performance standards set forth by the industrial training board.
- education division of the public education department shall provide technical assistance to the economic development department concerning the development of agreements, the determination of the most appropriate instructional training to be provided and the review of training program implementation.
- F. Except as provided in Section 21-19-7.1 NMSA 1978 for film and multimedia production companies and preemployment training programs for that industry, 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 not be made for training in excess of one thousand forty hours of training per trainee for the total duration of training;
- (2) training applicants shall have resided within the state for a minimum of one year at any time prior to the commencement of the training program and be of legal status for employment;

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- (3) payment for institutional classroom training shall be made pursuant to any accepted training contract for a qualified training program;
- (4) payment shall not be made pursuant to 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 of 1938, as amended, and shall not have terminated a public school program within the past three months except by graduation;
- (6) trainees shall be guaranteed full-time 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;
- (8) payment shall not 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; and
- (9) if a company hires twenty or more trainees, payment shall not be made for training in a municipality having a population of more than forty thousand .171399.1

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according to the most recent decennial census or a class A county unless the company:

(a) offers its employees and their dependents health insurance coverage that is in compliance with the New Mexico Insurance Code; and

(b) contributes not less than fifty percent of the premium for the health insurance for those employees who choose to enroll; provided that the fifty percent employer contribution shall not be a requirement for the dependent coverage that is offered."

Section 2. Section 21-19-13 NMSA 1978 (being Laws 2005, Chapter 102, Section 3) is amended to read:

"21-19-13. DISTRIBUTIONS OF DEVELOPMENT TRAINING FUNDS. --

- [Of appropriations made] In any fiscal year [for development training], up to two-thirds of the development training projects statewide shall be [expended] located in urban communities in the state. At least one-third of the [appropriations made in any fiscal year for] development training projects statewide shall be [expended] located in nonurban communities.
- Of money available in the development training fund, the economic development department may use in any fiscal year:
- (1) up to fifty thousand dollars (\$50,000) to [generally] administer generally the development training .171399.1

program; and

- (2) in addition to the general administration funding allowed in Paragraph (1) of this subsection, up to fifty thousand dollars (\$50,000) to administer the provisions of Section 21-19-7.1 NMSA 1978.
- C. Up to two million dollars (\$2,000,000) of development training funds may be used to reimburse film and multimedia production companies and to provide preemployment training for that industry pursuant to the provisions of Section 21-19-7.1 NMSA 1978.
  - D. As used in this section:
- (1) "nonurban community" means a municipality that is not an urban community or is the unincorporated area of a county; and
- (2) "urban community" means a municipality with a population of forty thousand or more according to the most recent federal decennial census."

Section 3. APPROPRIATION.--Ten million dollars (\$10,000,000) is appropriated from the general fund to the development training fund for expenditure in fiscal year 2009 and subsequent fiscal years for a development training program providing classroom and in-plant training to furnish qualified human resources for certain new or expanding industries and businesses in the state. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert .171399.1

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1	to the general fund.
2	Section 4. EMERGENCYIt is necessary for the public
3	peace, health and safety that this act take effect immediately
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