

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website (www.nmlegis.gov) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 2/11/15
 SPONSOR Stapleton LAST UPDATED 2/19/15 HB 178/aHEC
 SHORT TITLE Career Technical Education Courses & Terms SB _____
 ANALYST Chavez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		See Fiscal Implications				

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB 496
 Relates to HB 145, SB 14, SB 229

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)
 Higher Education Department (HED)

SUMMARY

Synopsis of House Education Committee Amendment

The House Education Committee Amendment to House Bill 178 clarifies language that districts may to choose to provide extra weight to a student's grade point average (GPA) for students who successfully complete an industry-recognized credential, certificate, or degree.

Synopsis of Original Bill

House Bill 178 amends Section 22-13-1.1 NMSA 1978, "Graduation Requirements", to require inclusion of certain career and technical education (CTE) courses as electives for meeting high school graduation requirements. The bill requires CTE courses to be offered as an elective that meets department content and performance standards. The bill includes a provision that would allow an extra credit increase (up to a maximum of 1.0) in a student's grade point average (GPA) for students who successfully complete an industry-recognized credential, certificate, or degree. The bill also includes definitions of career and technical education, career and technical education courses, career clusters, and career pathways.

FISCAL IMPLICATIONS

While PED is required to promulgate rules to allow students who successfully complete an industry-recognized credential, certificate, or degree, any administrative burden should be able to be addressed with existing resources. There is also a possible cost to high schools to make career and technical courses available to students if such courses are not already offered. However, PED notes the majority of high schools already offer CTE courses.

SIGNIFICANT ISSUES

According to PED, many New Mexico high schools that offer CTE courses receive federal funds through the Carl D. Perkins Act to support their career tech programs. CTE courses are directly related to preparing students for employment and are typically applied, hands-on courses. PED adds CTE courses appeal to some students who otherwise might become disengaged from their education.

PED states that CTE courses have a significant effect on graduation rates. New Mexico students who completed three or more CTE courses during high school (CTE concentrators) are more likely to graduate than other New Mexico students. In 2012-13, the statewide graduation rate was 70.3 percent, while students with a career technical concentration had a graduation rate of 89.6 percent. Importantly, this graduation rate success crosses several subcategories, including Hispanic, white, American Indian, Asian, and black graduation rates, which were all over ten percentage points higher for CTE concentrators. 56 percent of students taking CTE course were economically disadvantaged. The CTE concentrator graduation rate of 85.1 percent far exceeds the state average for economically disadvantaged students of 64.6 percent.

PED adds that in the most recent school year, 377 students did not have the opportunity to enroll in a CTE course. All but 5 of these students were enrolled in state-supported institutions. This bill would prevent a district from being able to eliminate CTE.

PERFORMANCE IMPLICATIONS

PED notes concentrated participation in CTE courses helps keep students engaged in high school and CTE concentrators are more likely to persist to graduation.

DUPLICATION, RELATIONSHIP

Other bills propose to modify the graduation requirements specified in Section 22-13-1 NMSA 1978. House Bill 145 puts competency standards for under established by the “local school board or governing body of a charter school”. Senate Bill 14 adds computer programming as foreign language. Senate Bill 229 removes the requirement that student must take an advanced placement, dual credit, honors or distance learning course to meet graduation requirements.

Senate Bill 496 is a duplicate.

TECHNICAL ISSUES

PED notes the following technical issue:

Language on page 5, lines 15-18 discusses the calculation of a student's GPA. PED does not oversee the calculation of GPAs and districts set their own policies related to GPAs. Promulgating rules may create a conflict with local policies over which the state does not have oversight.

This issue was addressed in the HEC amendment.

PED also notes the definitions inserted into Section O on pages 9-10 include "career cluster" and "career pathways," which are not used elsewhere in section O. However, both "career cluster" and "career pathway" are located on page 2, line 25.

OTHER SUBSTANTIVE ISSUES

HED notes it is possible that dual credit opportunities with branch and community colleges could be developed to offer career and technical courses that could lead to certificates at the college and also help meet high school graduation requirements.

KC/je/bb/je