# LFC Requester:

#### **AGENCY BILL ANALYSIS 2024 REGULAR SESSION**

#### WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

Analysis.nmlegis.gov

{Analysis must be uploaded as a PDF}

#### SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check	t all	that apply:	
Original	Х	Amendment	

Correction Substitute

Date	1/16/2024
Bill No:	HB-4

Sponsor:	Joy Garratt and Christine Chandler	Agency Name and Code Number:	6310	00 - NMDWS
Short	Apprentice & Training Program	Person Writing		Sarita Nair
Title:	Contributions	Phone: 5052638	137	Email Evan.sanchez@dws.nm.gov

#### **SECTION II: FISCAL IMPACT**

### **APPROPRIATION** (dollars in thousands)

Appropr	iation	Recurring	Fund Affected	
FY24	FY25	or Nonrecurring		
N/A	N/A	N/A	N/A	

(Parenthesis () Indicate Expenditure Decreases)

# **REVENUE (dollars in thousands)**

Estimated Revenue			Recurring	Fund
FY24	FY25	FY26	or Nonrecurring	Affected

(Parenthesis () Indicate Expenditure Decreases)

# **ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: duplicate/conflict with HB 5 Duplicates/Relates to Appropriation in the General Appropriation Act

### **SECTION III: NARRATIVE**

# **BILL SUMMARY**

<u>Synopsis:</u> HB 4 amends the Public Works Apprenticeship and Training Act (NMSA 13-4D-3 and 4) to make a technical correction to the responsible agency from the Labor Relations Bureau of the Department of Workforce Solutions to the Department of Workforce Solutions. The proposed bill removes the exceptions of street, highway, bridge, road, utility, or maintenance contracts with employers who elect not to participate in training from the requirement. Therefore, HB4 would require those employers to contribute to the apprentice and training fund which DWS administers.

### FISCAL IMPLICATIONS

The department does not currently require reporting from the public works contractors that would be included in the PWAT. We also do not know what percentages of contractors would opt to pay into the fund as opposed to hosting their own apprenticeship program. Accordingly, we cannot estimate the additional revenue that this bill would generate.

# SIGNIFICANT ISSUES

N/A

# PERFORMANCE IMPLICATIONS

Employers working on public works construction projects as defined under NMSA 13-4-11 are required to make contributions to approved apprentice and training programs under the Public Works Apprenticeship and Training Act. This proposed legislation removes the current exception whereby employers whose contracts entailed solely street, highway, bridge, road utility or maintenance contracts were not required to pay contributions into the apprenticeship fund. Removal of this exception expands the number of employers and construction projects which are subject to contributions thus, more employers and contracts contributing translates to additional funding for the apprenticeship and training programs which NMDWS administers that will provide more opportunities and training for a greater number of apprentices and apprentice programs.

# **ADMINISTRATIVE IMPLICATIONS**

Additional funds from this bill would flow through the same path as funds from currently covered projects, so NMDWS anticipates no additional administrative implication. Current procedures for ensuring compliance and addressing complaints associated with non-compliance with the Act would be adequate to address the larger pool of projects that would be subject to the Act.

# CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Technical corrections to the bill are duplicated in HB 5 which also proposes changes to NMSA 13-4D-3-13-4D-4, 3-4D-6, and 3-4D-7, amending the responsible party assigned to enforce the statute and NMSA 13-4D-5, when administering the public works apprentice and training fund contributions.

Relates to HB 5, which does not except public works projects which are solely street, highway, bridge, road, utility, or maintenance contracts involving employers who elect not to participate in training from paying into the Public Works Apprenticeship Training Fund. However, the bills are not in conflict or dependent on each other.

**TECHNICAL ISSUES** N/A

**OTHER SUBSTANTIVE ISSUES** N/A

**ALTERNATIVES** N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL  $\rm N/A$ 

AMENDMENTS N/A