

LFC Requester:	Rachel Mercer-Garcia
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

AgencyAnalysis.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 all that apply:
Original **Amendment**
Correction **Substitute**

Date Jan 20, 2024
Bill No: HB 5

Sponsor: Reps. Garratt, Chandler and Cates
Sens. Hemphill and Padilla
Short Title: Workforce Development Apprenticeship Trust Fund

Agency Name and Code Regulation and Licensing Department-420
Number: _____
Person Writing Lori Chavez
Phone: 505-469-2728 **Email** Lori.chavez1@rld.nm.

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
N/A	\$2,500	Recurring in FY26; then changing to \$1,500 per year recurring thereafter	General Fund (presumably) funds to be transferred to the Workforce Development and Apprenticeship Trust Fund, then transfers made to the Public Works Apprentice and Training Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
N/A	N/A	N/A		

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(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	N/A	N/A	N/A	N/A		

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
 Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: HB 5 creates a “workforce development and apprenticeship trust fund” within the state treasury and is funded through appropriations from the general fund with contingencies. The state investment office shall report quarterly to the legislative finance committee and the state investment counsel on the investments and annually to the legislative finance committee, revenue stabilization and tax policy committee and any other appropriate interim committees. The fund makes annual transfers to the Public Works Apprentice and Training Fund and to the Workforce Solutions Department for the Apprenticeship Assistance Act. Both funds are administered by the Workforce Solutions Department.

HB 5 amends the definitional section of the Public Works Apprentice and Training Act by deleting “bureau of apprenticeship and training” and replacing it with the “office of apprenticeship of the employment and training administration.” The definition for “director or division” is deleted.

The “public works bureau of the labor and industrial division of the labor” is replaced as the administrator of the fund by the “workforce solutions department” throughout the Public Works Apprentice and Training Act. “Division” is replaced by “department” throughout both the Public Works Apprentice and Training Act and the Apprenticeship Assistance Act.

HB 5 adds the requirements under both the Public Works Apprentice and Training Act and Apprenticeship Assistance Act that approved apprentice and training programs must comply with the department’s approved standards, the Public Works Minimum Wage Act or the Construction Industries Licensing Act before receiving funds.

HB 5 deletes subsections (A) and (B) of the Apprenticeship Assistance Act’s distribution of funds section and amends subsection (C) committee powers by deleting the Committee’s responsibilities to reserve a percentage of funds appropriated under the line item and amending the Act giving the Committee the responsibility for determining an amount to be used solely by registered apprenticeship programs for apprenticeship-related instruction.

FISCAL IMPLICATIONS

None anticipated for the Regulation and Licensing Department.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS