

LFC Requester:

Helen Gaussoin, Carlie
Malone**AGENCY BILL ANALYSIS - 2026 REGULAR SESSION****WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO****[AgencyAnalysis.nmlegis.gov](https://agencyanalysis.nmlegis.gov) and email to billanalysis@dfa.nm.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}***Date Prepared:** 1/17/26*Check all that apply:***Bill Number:** HB7Original ☐ Correction ☒Amendment ☐ Substitute ☐

Sponsor:	Joy Garratt, Kathleen Cates, Pat	Agency Name	Dept. of Workforce Solutions- 631
	Woods, Christine Chandler	and Code	
Short	Apprenticeship Assistance Act	Number:	
Title:	Transfers	Person Writing	<u>Sarita Nair</u>
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SECTION II: FISCAL IMPACT**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY27	FY28		
\$5,000.00	\$5,000.00	Recurring	Workforce Development and Apprenticeship Trust Fund

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY27	FY28	FY29		
0	0	0		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY27	FY28	FY29	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$2,000.0	\$2,000.0	\$2,000.0	\$6,000.0	R	Workforce Development and

						Apprenticeship Trust Fund
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(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: HB7 would amend the law that created the Workforce Development and Apprenticeship Trust Fund to keep annual appropriations to WSD at \$5,000,000 per year. In current statute, those appropriations will be reduced to \$3,000,000 per year beginning in FY27. The bill would also make a technical correction to delete references to the tobacco settlement permanent fund.

FISCAL IMPLICATIONS

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

If passed, WSD would maintain current levels of funding from the Workforce Development and Apprenticeship Trust Fund ("Fund") in future fiscal years.

The Fund has had a strong positive impact on apprenticeship in New Mexico. As of 1/13/26, there are 2,754 active apprentices, up from 2,542 as of 12/31/24. In addition, distributions to support apprenticeship programs have increased. The FY26 distribution under the Public Works Apprenticeship and Training Act was \$3,507.80 per apprentice, up from \$1,700.57 per apprentice in FY24, prior to the Fund. The per instructional hour funding under the Apprenticeship Assistance Act increased to \$11.02 per hour, up from \$2.02 in FY24, prior to the Fund. Increasing this distribution was a key point for those supporting the original bill. Both distributions will decrease if the bill is not amended.

SIGNIFICANT ISSUES

None.

PERFORMANCE IMPLICATIONS

WSD will be able to continue to operate and support apprenticeship programs in FY27 as it is in FY26.

ADMINISTRATIVE IMPLICATIONS

None.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None known.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Funding for apprenticeship programs will decrease in FY27 due to the decreased distributions currently in statute.

AMENDMENTS

None.