



LFC Requester: Liu

**PUBLIC EDUCATION DEPARTMENT
BILL ANALYSIS
2026 REGULAR SESSION**

SECTION I: GENERAL INFORMATION

Check all that apply:

Original Amendment
Correction Substitute

Date Prepared: January 29 2026

Bill No: HB205

Committee Referrals: HEC/HAFC

Agency Name and Code: PED - 924

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SECTION II: FISCAL IMPACT

(Parenthesis () Indicate Expenditure Decreases)

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Nonrecurring | Fund Affected |
|---------------|------|---------------------------|---------------|
| FY27 | FY28 | | |
| \$250.0 | None | Nonrecurring | General Fund |

REVENUE (dollars in thousands)

| Estimated Revenue | | | Recurring or Nonrecurring | Fund Affected |
|-------------------|------|------|---------------------------|---------------|
| FY27 | FY28 | FY29 | | |
| None | None | None | N/A | NFA |

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY27 | FY28 | FY29 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|--------------|------|------|------|-------------------|---------------------------|---------------|
| Total | None | None | None | N/A | N/A | NFA |

Duplicates/Relates to Appropriation in the General Appropriation Act: House Bill 2 (HB2), the [General Appropriation Act](#) of 2026, includes an appropriation of \$59 million to the State Equalization Guarantee for several programs, including career technical education, and teacher mentorship, and \$36 million for recruitment and retention of public school personnel.

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: House Bill 205 (HB205) would create the career technical externship program in the Department of Workforce Solutions (DWS). DWS would be required to collaborate with the Public Education Department (PED) and career technical faculty at public community colleges to design the program. The purpose of the program is to provide high-quality, structured industry-aligned externship experiences for secondary and postsecondary career technical education (CTE) educators that are aligned to PED approved programs of study. DWS would also receive an appropriation of \$250,000 to administer the program in FY27.

This bill does not provide an effective date. Laws go into effect 90 days after the adjournment of the Legislature enacting them, unless a later date is specified. If enacted, this bill would become effective May 20, 2026.

FISCAL IMPLICATIONS

The bill would appropriate \$250,000 from the General Fund to DWS to design, implement and administer the career technical externship program. Any unexpended or unencumbered balance remaining at the end of FY27 shall revert to the General Fund.

PED would be required to collaborate with DWS and career technical faculty from public community colleges to design the program, as well as the process for applying for an externship, including qualifications, review, and selection of candidates. PED and community colleges would not receive any of the appropriation, as they would only be collaborators, and the work of implementation and administration would be the responsibility of DWS. DWS may use the funds to pay staff salaries or a contractor required to administer the program for PED and DWS.

SIGNIFICANT ISSUES

The career technical externship program that the bill proposes would pair career technical teachers at public schools and career technical faculty at public community colleges with industry representatives. The bill requires the externships to be aimed at enhancing teachers' technical skills and their understanding of changing standards, procedures, and workforce needs in traditional and rapidly advancing fields. DWS [describes externships](#) as a combination of a job shadow and an internship. Externships are often for professionals exploring other opportunities. These externships would primarily be learning opportunities for the teachers rather than a supplemental source of income, as the appropriation does not include funding for stipends to compensate extern teachers or the industry representatives with whom they work.

CTE coursework is designed to introduce high school students to workplace competencies and make academic content accessible to them by providing hands-on experience in various industry sectors. In the 2023-2024 school year, 89,332 students in New Mexico were involved in CTE courses. 15.7 percent of students were able to earn industry credentials in CTE fields, and 12.7 percent were able to participate in work-based learning. The PED's College and Career Readiness Bureau oversees CTE activities including federal and state CTE funds. The NextGen CTE program, created by the legislature in 2019 to establish CTE programs and form partnerships

between school districts and industry members throughout the state, ends in FY26. The executive budget recommendation included \$38.5 million in funding for CTE to support and continue programming, but the CTE funding specified in HB2 is \$59 million to be split between CTE and four other programs including literacy and teacher mentorship programs, and \$17 million for evidence-based CTE pilot projects, including work-based learning. It is unclear whether PED could employ any of that latter appropriation to defray costs associated with HB250 externships. HB2 also proposes to extend the time limit for expenditure of the \$28.5 million appropriated by Laws 2025, Chapter 160, Section 5, Subsection 246 through FY27.

The [Career Technical Education Foundation](#) detailed the CTE externship experiences that California's Sonoma County Office of Education provided to their teachers. The externships ranged from a day of job-shadowing to longer and project-based experiences that went throughout the summer. The externships were designed to help connect classroom content with students' future career interests by placing teachers in industries that reflect the coursework their students will accomplish the next year. That way, the teacher can provide first-hand insights into the technical and soft skills their students will need. PED and DWS may consider a similar model of pairing teachers, when collaborating to design the program, which includes industry areas that reflect what they teach.

PERFORMANCE IMPLICATIONS

In a 2024 study, the [American Institutes for Research](#) found that CTE participation is positively correlated with better high school academic achievement in , graduation rates, two-year college attendance, and post-graduation employment rates. Providing CTE teachers with first-hand industry experience may allow them to pass that experience on to their students, potentially strengthening CTE courses and preparing students to enter the workforce.

DWS shall establish performance measures to evaluate the program effectiveness and the impact of educator participation on the students they serve. DWS will evaluate the impact on CTE student outcomes, such as credential attainment, work-based learning participation, increase in CTE concentrators and completers, and postsecondary and workforce placement.

ADMINISTRATIVE IMPLICATIONS

DWS would serve as the lead administrative agency, ensuring alignment with state and federal CTE requirements, including the Strengthening Career and Technical Education for the 21st Century Act (Perkins V), PED-approved CTE programs of study, industry recognized credentials, national career cluster framework, labor market alignment, employer engagement, and a high-quality work-based learning framework.

DWS would be required to lead the collaboration with PED and career technical faculty at public community colleges to design the program and the process for applying for an externship. This would require PED staff to attend additional meetings and other events with DWS in order to fully participate as a partner and to collect and share data on career technical teachers in the state. This bill would require a new FTE and/or a contractor at PED in order to collaborate and appropriately administer this program.

PED's Information Technology/NOVA team shall create the necessary reports needed to address the performance measures and student outcomes needed to evaluate participation and

effectiveness. Since community college faculty is also involved in the collaboration, HED shall provide the necessary reports needed to address the performance measures and student outcomes needed to evaluate participation and effectiveness. The reporting entity for DWS shall also provide the necessary employer engagement and labor market alignment as well as the necessary reports needed to address the performance measures and student outcomes needed to evaluate participation and effectiveness.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

None.

AMENDMENTS

None.