AN ACT

RELATING TO WORKFORCE DEVELOPMENT; MAKING ANNUAL TRANSFERS FROM THE WORKFORCE DEVELOPMENT AND APPRENTICESHIP TRUST FUND TO THE PUBLIC WORKS APPRENTICE AND TRAINING FUND AND ANNUAL APPROPRIATIONS TO THE WORKFORCE SOLUTIONS DEPARTMENT TO CARRY OUT THE PURPOSES OF THE APPRENTICESHIP ASSISTANCE ACT; MAKING APPROPRIATIONS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 9-26-17 NMSA 1978 (being Laws 2024, Chapter 5, Section 1) is amended to read:

"9-26-17. WORKFORCE DEVELOPMENT AND APPRENTICESHIP TRUST FUND.--

A. The "workforce development and apprenticeship trust fund" is created within the state treasury. The fund consists of distributions, appropriations, gifts, grants and donations. Income from investment of the fund shall be credited to the fund. Money in the fund shall be expended only as provided in this section.

B. The state investment officer, subject to the approval of the state investment council, shall invest money in the workforce development and apprenticeship trust fund:

(1) in accordance with the prudent investor rule set forth in the Uniform Prudent Investor Act; and

(2) in consultation with the state

treasurer.

C. The state investment officer shall report quarterly to the legislative finance committee and the state investment council on the investments made pursuant to this section. Annually, a report shall be submitted no later than November 1 each year to the legislative finance committee, the revenue stabilization and tax policy committee and any other appropriate interim committees.

D. Subject to the availability of funds on July 1, 2026 and on July 1 of each year thereafter:

(1) two million five hundred thousand dollars ($2,500,000) shall be transferred to the public works apprentice and training fund; and

(2) two million five hundred thousand dollars ($2,500,000) shall be appropriated to the workforce solutions department to carry out the purposes of the Apprenticeship Assistance Act.

E. In addition to the transfers and appropriations pursuant to Subsection D of this section, money in the workforce development and apprenticeship trust fund may be expended in the event that general fund balances, including all authorized revenues and transfers to the general fund and balances in the general fund operating reserve, the appropriation contingency fund, the state-support reserve fund and the tax stabilization reserve, will not meet the level of

appropriations authorized from the general fund for a fiscal year. In that event, to avoid an unconstitutional deficit, the legislature may appropriate from the workforce development and apprenticeship trust fund to the general fund only in the amount necessary to meet general fund appropriations for that fiscal year and only if the legislature has authorized transfers from the appropriation contingency fund, the general fund operating reserve and the tax stabilization reserve that exhaust those fund balances."