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FISCAL IMPACT REPORT

SPONSOR Campos/Woods **ORIGINAL DATE** 2/3/19
LAST UPDATED _____ **HB** _____
SHORT TITLE Career & Tech Student Organizations **SB** 353
ANALYST Gaussoin

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY19	FY20		
	\$650.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates House Bill 299
 Relates to House Bills 44, 91, and 183 and Senate Bill 229
 Relates to appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Regional Education Cooperatives (REC)
 Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Bill 353 appropriates \$650 thousand from the general fund to Regional Education Cooperative 6, serving 10 rural school districts in Curry, De Baca, Quay, and Roosevelt counties, to support middle-school, high school, and postsecondary students in six state-chartered career and technical student organizations.

FISCAL IMPLICATIONS

The appropriation of \$650 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY20 shall revert to the general fund.

The PED College and Career Readiness Bureau funds and provides oversight for seven of the

eight state-chartered career and technical student organizations. (Future Farmers of American is directly funded and oversight is provided by New Mexico State University and the Legislative Education Study Committee.) Providing funding directly to Regional Education Cooperative 6 (REC6) for six of the seven organizations supervised by PED might shift oversight to REC6, which might not have the expertise or staff to adequately monitor use of the funds.

Six of the eight state-chartered student organizations are managed by the Career and Technical Leadership Project (CTLP) at Eastern New Mexico University, which also hosts REC6. PED reports CTLP receives \$133 thousand in state funds through Graduates Now and \$367 thousand in federal Carl D. Perkins funds for secondary and postsecondary vocational and technical education.

PED reports it did not request the appropriation in the SB353, and it is not part of executive budget recommendation.

SIGNIFICANT ISSUES

PED reports career and technical student organizations are integrated into the classroom curriculum to enhance student learning through contextual instruction, leadership and personal development, and applied learning. The organizations build on the employability and career skills and concepts through hands-on demonstrations and real life and work experiences. The student organizations help guide students in developing a career path and a program of study and provide activities, programs, and competitive events. In addition, students have opportunities to hold leadership positions at the local, state, and national level and attend leadership development conferences to network with other students and business and industry partners.

The six state-chartered organizations managed through the CLTP are Business Professionals of America, DECA (formerly Distributive Education Clubs of America), Family, Career and Community Leaders of America, HOSA-Future Health Professionals (formerly Health Occupations Students of America), SkillsUSA, and Technology Student Association.

The 10 school districts in REC6 are Dora Consolidated, Elida Municipal, Floyd Municipal, Fort Sumner Municipal, Grady Municipal, House Municipal, Logan Municipal, Melrose Public, San Jon Municipal, and Texico Municipal. The districts have a total of about 2,300 students.

PERFORMANCE IMPLICATIONS

PED suggests increased career and technical student organization participation could increase the graduation rate in REC6 schools. The department notes graduation rates are higher for students who participate in career and technical student organizations, although it does not differentiate between the graduation rates of organization participants and career and technical education students generally.

ADMINISTRATIVE IMPLICATIONS

PED raises concerns that funding the programs directly through REC6 could imply REC6 must provide oversight for the programs and the cooperative might not have the expertise or staff.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 44 requires PED to develop a framework for career and technical education development and instructional practices.

House Bill 91 creates a career and technical education pilot.

House Bill 183 allows students participating in a registered apprenticeship programs to receive credit toward high school attendance and graduation.

Senate Bill 229 includes completion of a work-based learning experience among the indicators of school climate to be included in the school accountability assessments.

Senate Bill 353 also relates to an appropriation in the General Appropriation Act for college preparation, career readiness, and dropout prevention.

TECHNICAL ISSUES

Although SB353 provides direct funding to REC6 to support students in six career and technical student organizations, and both REC6 and the Career and Technical Leadership Project are housed at Eastern New Mexico University, the bill does not specify which organizations students must participate in to receive support.

OTHER SUBSTANTIVE ISSUES

PED reports career and technical student organizations are an important element of successful career and technical education programs. The department notes membership is tracked in the Student Teacher Accountability Reporting System.

HFG/sb