

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website ([www.nmlegis.gov](http://www.nmlegis.gov)) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

ORIGINAL DATE 2/19/19

SPONSOR Kernan LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Broaden Area Vocational School Locations SB 576

ANALYST Liu

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		See Fiscal Implications				

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to HB 44, HB 91, HB 183, HB 299, SB 353

### SOURCES OF INFORMATION

LFC Files  
 Legislative Education Study Committee (LESC) Files

Responses Received From  
 Higher Education Department (HED)

No Responses Received From  
 Public Education Department (PED)

### SUMMARY

#### Synopsis of Bill

Senate Bill 576 removes the requirement that area vocational high schools (AVHS) be located on the campus of a post-secondary educational institution to facilitate the sharing of facilities. The bill also removes the requirement for HED to co-approve plans for establishing an AVHS with PED. As such, PED will be the only department responsible for approving AVHS plans.

### FISCAL IMPLICATIONS

The bill does not make an appropriation, but amends Section 22-5-4.8 NMSA 1978 to allow local school boards to establish an AVHS on a location other than a post-secondary educational institution. Provisions of Section 22-5-4.8 NMSA 1978 authorize a special levy of 1.0 mill (\$1 for each \$1,000 of net taxable value), in addition to the levies authorized by the College District Tax Act, to finance the operation of an approved AVHS. As such, this bill would allow a school

district with a PED-approved plan to propose a special levy on a college district for an AVHS that does not have to be located on the college campus.

## **SIGNIFICANT ISSUES**

Laws 1999, Chapter 219, repealed provisions relating to AVHS in the State and Private Education Institutions Act and created new provisions for AVHS in the Public School Code. The statute required both PED and HED to approve local school board plans for establishing an AVHS. Approved plans authorized the:

- Use of higher education facilities for AVHS operations,
- Financing of operations through a special levy in addition to the levies authorized by the College District Tax Act (1.0 mill), and
- Instruction of students in vocational and technical education programs.

McKinley County appears to be the only jurisdiction with a special levy for an AVHS through the UNM-Gallup branch campus. Provisions of this bill may increase the number of school districts exercising the college district levy to place an AVHS on school campuses or other public buildings.

## **RELATIONSHIP**

This bill relates to House Bill 44, which requires professional development for career and technical education (CTE) educators; House Bill 91, which allows apprenticeship programs to count toward graduation requirements; and House Bill 299 and Senate Bill 353, which appropriate \$650 thousand to Regional Education Cooperative 6 to support CTE student organizations.

## **OTHER SUBSTANTIVE ISSUES**

The 2016 National Conference of State Legislatures report, *No Time to Lose*, found that nations faring well on international academic comparisons shared four common elements:

- strong programs for early childhood readiness, especially for disadvantaged children;
- highly selective teacher preparation programs;
- rigorous systems of CTE; and
- carefully aligned education reforms.

LESC notes CTE is valuable for re-engaging students who become disengaged and less interested in school, and CTE students have lower dropout rates, higher graduation rates, higher employment rates, and greater earnings than demographically similar, non-CTE peers.

In 2015, the Southern Regional Education Board (SREB) found few New Mexico high schools were offering career pathways or programs of study at a level that led to industry-recognized certificates and degrees. Statewide, less than 20 percent of CTE programs offered three or more courses tied to a specific career pathway, with the most popular pathways being automotive, culinary arts, agriculture, carpentry, and welding programs. SREB recommended New Mexico create new state-approved, industry-validated career pathways aligned to a nationally-recognized curricula; provide training for CTE teachers; establish a career guidance and support system for students before and after high school; and refine accountability systems to equally value academic and technical readiness.

SL/gb