

# LFC 2024 STAFF INTERIM WORK PLANS

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**Liu: Public Education Department, Regional Education Cooperatives, Public School Support**

**PRIMARY ISSUES**

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Issue: <i>Teacher Quality</i>. Enrollment in educator preparation programs is slowly recovering, and candidates are receiving more clinical practice and training through residencies and early literacy efforts. However, the state lacks scalable capacity to support current classroom teachers and quality improvements are inconsistent statewide.</p> <ul style="list-style-type: none"> <li>• Goal: Increase instructional leadership and coaching capacity by amending level 3 license duties or establishing a level 4 license level</li> <li>• Goal: Improve recruitment and pay of classroom teachers to parity with other college educated professions</li> <li>• Goal: Increase enrollment at educator preparation programs to exceed teacher vacancies and statewide demand</li> </ul>	<ul style="list-style-type: none"> <li>• Policy brief or subcommittee hearing topic</li> <li>• Volume 1, 2</li> <li>• Activity reports</li> <li>• Performance measures</li> <li>• Potential committee-sponsored legislation</li> </ul>	<ul style="list-style-type: none"> <li>• Improve quality of instruction</li> <li>• Increase educator retention rates</li> <li>• Reduce teacher vacancy rates</li> <li>• Increase per capita income</li> </ul>	Liu, LESC	June 2024
2	<p>Issue: <i>Learning Time</i>. High chronic absenteeism rates, differences in local decisions, and educator burnout have created inequities in learning time offered across the state. Absent a clear, targeted plan to close achievement gaps through differentiated instructional time opportunities, disparities in student outcomes will widen even more. New regulations requiring schools to move toward a 180-day instructional calendar may reduce these differences but are being met with strong opposition, which may create unintended consequences.</p> <ul style="list-style-type: none"> <li>• Goal: Reduce chronic absenteeism rates below pre-pandemic levels</li> <li>• Goal: Improve alignment between funding formula allocations and school calendar</li> <li>• Goal: Increase flexibility and expand opportunities for evidence-based uses of school time</li> </ul>	<ul style="list-style-type: none"> <li>• Policy brief or program evaluation</li> <li>• Volume 1, 2, 3</li> <li>• Activity reports</li> <li>• Potential committee-sponsored legislation</li> </ul>	<ul style="list-style-type: none"> <li>• Increase student time on task</li> <li>• Reduce achievement gaps</li> <li>• Reduce chronic absenteeism rates</li> <li>• Increase attendance rates</li> <li>• Reduce childcare needs</li> </ul>	Liu, LESC, Dinces, Valdez	September 2024

3	<p>Issue: <i>Appropriate Curriculum</i>. While extended learning time provides opportunities for learning, high quality instruction is the key to accelerating learning during that time. A lack of culturally responsive or linguistically relevant curriculum and materials creates barriers for teachers to participate in bilingual programs. Training for teachers in structured literacy approaches will be necessary to improve literacy rates. Ensuring students in career technical education programs have multiple pathways and advancement through higher education will improve lifetime earnings.</p> <ul style="list-style-type: none"> <li>• Goal: Increase teacher and student participation in bilingual multicultural education programs</li> <li>• Goal: Provide all teachers with adequate training in evidence-based instructional approaches</li> <li>• Goal: Ensure career technical education programs lead students to high-wage jobs</li> <li>• Goal: Monitor violence intervention programming in schools</li> </ul>	<ul style="list-style-type: none"> <li>• Policy brief</li> <li>• Volume 1</li> <li>• Activity reports</li> <li>• Budget recommendation</li> </ul>	<ul style="list-style-type: none"> <li>• Increase student time on task</li> <li>• Reduce achievement gaps</li> <li>• Reduce chronic absenteeism rates</li> <li>• Increase attendance rates</li> <li>• Reduce childcare needs</li> <li>• Reduce youth disengagement</li> </ul>	Liu, Rose, Jorgensen, Klundt	July 2024
4	<p>Issue: <i>Governance and Accountability</i>. A lapse in federal and state accountability during the pandemic, changes to performance measurement, and inefficient data collection and grant award processes have eroded trust in the state and deteriorated its position to hold schools accountable for results.</p> <ul style="list-style-type: none"> <li>• Goal: Reduce processing time for data collection, validation, and reporting to 10 days</li> <li>• Goal: Reduce processing time for reimbursements to 10 days</li> <li>• Goal: Reduce administrative burdens and duplicative data requests</li> <li>• Goal: Prevent insurance costs from eroding the majority of educator take home pay</li> </ul>	<ul style="list-style-type: none"> <li>• Volume 1, 2</li> <li>• Activity reports</li> <li>• Potential committee-sponsored legislation</li> </ul>	<ul style="list-style-type: none"> <li>• Prioritize resources to most valuable agency functions</li> <li>• Reduce cash balances</li> <li>• Efficient and accurate reporting</li> <li>• Increased transparency on agency operations</li> </ul>	Liu, LESC, Lobaugh, Hilla	November 2024

**SECONDARY ISSUES**

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Issue: <i>Career Technical Education</i>. Appropriations for career readiness have increased significantly to improve student graduation and workforce participation. However, little is known about how New Mexico students do when they enter the labor market and the array of services available to students looking for jobs. The state lacks a comprehensive strategy for job placement and recruitment of firms to the state.</p> <ul style="list-style-type: none"> <li>• Goal: Increase graduation rates to national average</li> <li>• Goal: Increase workforce participation rates to national average</li> <li>• Goal: Increase higher education attainment among working adults</li> <li>• Goal: Reduce recidivism rates for incarcerated individuals</li> </ul>	<ul style="list-style-type: none"> <li>• Potential brief or subcommittee hearing topic</li> <li>• Volume 1, 3</li> <li>• Activity reports</li> <li>• Performance measures</li> <li>• Budget recommendation</li> </ul>	<ul style="list-style-type: none"> <li>• Increase per capita income</li> <li>• Reduce violent and property crime rates</li> <li>• Diversify economy and tax base</li> <li>• Increase educational attainment levels</li> </ul>	<p>Jorgensen, Mercer-Garcia, Rodriguez, Sanchez, Liu</p>	<p>August 2024</p>
2	<p>Issue: <i>Operational Costs</i>. Federal pandemic aid is set to expire in FY25 and operating cost adjustments from increased insurance rates, declining student enrollment, and large nonrecurring special appropriations will require continuous changes to base funding amounts.</p> <ul style="list-style-type: none"> <li>• Goal: Adjust base operating costs</li> <li>• Goal: Leverage other funding sources, such as the public education reform fund</li> </ul>	<ul style="list-style-type: none"> <li>• Volume 2</li> <li>• Activity Reports</li> <li>• Budget recommendation</li> </ul>	<ul style="list-style-type: none"> <li>• Adequate and equitable school funding</li> </ul>	<p>Simon, Liu</p>	<p>Ongoing</p>

**Jorgensen: Higher Education Department and Institutions**

**PRIMARY ISSUES**

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Issue: <i>Noncredit Training Programs</i>. The Legislature appropriated \$20 million per year for three years to support regional universities and two-year colleges in creating workforce training, apprenticeship, and internship programs. The appropriation was designed to provide the recipient institutions flexibility in developing and implementing these programs to match student interest and labor market need.</p> <ul style="list-style-type: none"> <li>• Goal: Create an inventory of the workforce training programs offered, the costs of those programs, projected students served, and performance measures tracked.</li> <li>• Goal: Work with higher education institutions to create a uniform reporting framework and regular review process to determine program efficacy.</li> </ul>	<ul style="list-style-type: none"> <li>• Potential brief or subcommittee hearing topic</li> <li>• Volume 1</li> <li>• Volume 3</li> <li>• Activity reports</li> </ul>	<ul style="list-style-type: none"> <li>• Improved accountability and transparency of workforce training programs.</li> </ul>	Jorgensen	December, 2023
2	<p>Issue: <i>Review of Higher Education Funding</i>. New Mexico ranks 4<sup>th</sup> in state funding for higher education in the nation. Tuition remains low but has increased significantly over the past five years while the Legislature has sought to shore up the promise of tuition-free college through creation of the higher education tuition trust fund. Faculty pay has lagged the nation and bills seeking to address the salary gap have been introduced over the past several years. Additionally, higher education institutions have contended that the funding formula has created disparities in funding between institutions and the Legislature provided additional funding to the higher education department to study the distributions made through the funding formula.</p> <ul style="list-style-type: none"> <li>• Goal: work with HEIs, HED, and the contractor selected to study the funding formula to develop FY26 formula recommendations.</li> <li>• Goal: work with institutions to identify the disparity between the state's high rank in educational appropriations with the below average faculty pay.</li> </ul>	<ul style="list-style-type: none"> <li>• Potential brief or subcommittee hearing topic</li> <li>• Volume 1</li> <li>• Volume 3</li> <li>• Activity reports</li> </ul>	<ul style="list-style-type: none"> <li>• FY26 funding formula recommendation</li> </ul>	Jorgensen	December, 2023

3	<p>Issue: <i>Student Support</i>. Higher education institutions are attempting to address the causes of low graduation rates and create services to help students complete their academic programs. During the Legislative session, different institutions discussed their individual programs and how outcome measures are tracked, but no statewide report on student supports and program success is available.</p> <ul style="list-style-type: none"> <li>• Goal: Work with HEIs to identify the student success programs currently employed and associated outcome measures.</li> <li>• Goal: Track use of the student support service funding made over the past two legislative sessions.</li> </ul>	<ul style="list-style-type: none"> <li>• Potential brief or subcommittee hearing topic</li> <li>• Volume 1</li> <li>• Volume 3</li> <li>• Activity reports</li> </ul>	<ul style="list-style-type: none"> <li>• Inventory of services offered by institution.</li> <li>• Performance management framework.</li> </ul>	Jorgensen	December, 2023
4	<p>Issue: <i>Career Services Outcomes</i>. Higher education appropriations have increased significantly over the past five years in an effort to improve student graduation and retention. However, little is known about how New Mexico students do when they enter the labor market and the array of services available to students looking for jobs varies by institution. Additionally, collaboration between the HEIs and the Economic Development Department when it comes to job placement and recruitment of firms to the state is done on an ad hoc basis.</p> <ul style="list-style-type: none"> <li>• Goal: review current employment tracking efforts of graduates to assess what data are currently available.</li> <li>• Goal: review career services available to New Mexico students.</li> <li>• Goal: review best practices for career service offices.</li> <li>• Goal: determine how career services offices can be leveraged to support economic development opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>• Potential brief or subcommittee hearing topic</li> <li>• Volume 1</li> <li>• Volume 3</li> <li>• Activity reports</li> </ul>	<ul style="list-style-type: none"> <li>• Inventory of current career services programs</li> <li>• Improved understanding of student outcomes</li> <li>• Recommendations for career service performance measures</li> </ul>	Jorgensen	December, 2023

**SECONDARY ISSUES**

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Issue: <i>Targeted Higher Education Appropriations</i>. Higher education institutions received a number of recurring and nonrecurring appropriations for high-demand workforce and applied research.</p> <ul style="list-style-type: none"> <li>• Goal: monitor distribution of nonrecurring funds.</li> <li>• Goal: determine impact of targeted appropriations on program budgets and enrollment.</li> </ul>	<ul style="list-style-type: none"> <li>• Volume 1</li> <li>• Volume 2</li> <li>• Volume 3</li> <li>• Activity Reports</li> </ul>	<ul style="list-style-type: none"> <li>• Improve accountability and transparency</li> </ul>	Jorgensen	December, 2023
2	<p>Issue: <i>Governance</i>. New Mexico higher education institutions are governed by independent boards which may result in disparate policy on tuition rates as well as everyday administration of the institution.</p> <ul style="list-style-type: none"> <li>• Goal: conduct survey of other state higher education governance practice.</li> <li>• Goal: review literature on best practices for higher education governance.</li> </ul>	<ul style="list-style-type: none"> <li>• Volume 1</li> <li>• Activity Reports</li> </ul>	<ul style="list-style-type: none"> <li>• Informational</li> </ul>	Jorgensen	December, 2023



## 2024 INTERIM WORK PLAN SUMMARY

### Health and Communities

**Chenier, Klundt, Mercer-Garcia, Eckberg, Hernandez, Esquibel: Multiple Agencies including Health Care Authority and Department of Health**

**PRIMARY ISSUES**

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p><b>Health and Communities</b> Issue: Partially, because of a lack of access to healthcare, New Mexico experiences greater health disparities such as higher mortality rates, lower life expectancies, high rates of chronic disease, poor maternal and child health outcomes, and more substance use. These outcomes also influence the state's economy leading to lower labor force participation.</p> <p>The state invested significant resources in the last several years to address access including investing hundreds of millions in increased provider rates, workforce training initiatives, and rural healthcare delivery grants. However, the impact is unclear, implementation is slow, and the expansion of services may not be strategically planned.</p> <p>Objective: Work with state health agencies, managed care organizations (MCO), and others to ensure recent healthcare investments lead to improved access.</p>	<p>Output: Oversee the implementation of healthcare access initiatives with hearings on:</p> <p>HCA rollout of provider rate adjustments</p> <p>LegisStat: MCO provider network adequacy and access (Turquoise Care)</p> <p>Rural healthcare expansion and expenditure of rural health delivery grants.</p> <p>Data on MCOs penalties and clawbacks.</p>	<p>Improved healthcare access, less disparities, and better economic results.</p> <p>Understanding of areas in greatest need of further expansion.</p> <p>Providers directly receive funding from MCOs from rate increases.</p>	Chenier, Klundt, Jorgensen, HHS Analysts, evaluators, HCA, MCOs, healthcare providers.	Ongoing

**PRIMARY ISSUES**

<b>Rank</b>	<b>Issues/Goals &amp; Objectives</b>	<b>Output</b>	<b>Outcome/Results</b>	<b>Responsibility</b>	<b>Finish Date</b>
2	<p><b>Behavioral Health</b>  Issue: A lack of access to evidence-based treatment continues to slow progress at improving behavioral health and substance use outcomes. A recent program inventory reported 30 percent of the Health Care Authority’s Behavioral Health Services Division’s expenditures are based on evidence-based programming, while 12 percent of expenditures in the Medical Assistance Division are evidence-based. The Behavioral Health Collaborative (BHC) remains inactive without a CEO or scheduled meetings.</p> <p>In the last several years, the state increased behavioral health spending while performance outcomes are undesirable.</p> <p>Objective: Work with state agencies to improve access to evidence-based treatment.</p>	<p>Output: Increase the percentage of behavioral health services that are evidence-based.</p> <p>Review BHC and housing strategic plans. Conduct oversight of BHC including inventory of funding and programs.</p> <p>LegisStat: Behavioral health quality and access.</p> <p>Behavioral Health 101 hearing.</p>	<p>Improve behavioral health and substance use outcomes.</p> <p>Updated data and spreadsheet on behavioral health funding and providers.</p> <p>Policy and funding analyses on substance use disorder, treatment services, and the corrections system.</p>	<p>Chenier, Klundt, HHS Analysts Evaluators, HCA, BHC, Falling Colors, providers.</p>	Ongoing
3	<p><b>Healthcare Workforce</b>  Issue: Also impacting access, the state is experiencing both behavioral health and physical health workforce shortages, especially in rural areas. Workforce shortages lead to higher overall healthcare costs due to overtime and the need to hire costly contracted staff.</p> <p>The state invested in several efforts to improve the state’s health and behavioral health workforce, but the success of these efforts has not been evaluated.</p> <p>Objective: Reduce healthcare costs and improve access and quality by increasing the healthcare workforce.</p>	<p>Output: Evaluate recent healthcare workforce training initiatives and determine the need for further investment and expansion.</p> <p>LegisStat: Health care workforce.</p> <p>Gaps analysis</p> <p>Status of healthcare workforce pipeline programs, credentialing, and reciprocity.</p>	<p>Improve healthcare access by increasing the state’s health care workforce.</p> <p>Compile data on workforce gaps.</p> <p>Explore access metrics using HEDIS measures and data.</p>	<p>Chenier, Jorgensen, HHS Analysts</p>	September 2024

**PRIMARY ISSUES**

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
4	<p><b>Medicaid, IBAC, NMHIX</b>                      Issue: Health insurance costs for state and local government workers and the private sector grow at higher rates than wages overall, taking a larger portion of workers’ incomes. Additionally, increased out-of-pocket costs don’t necessarily lead to better healthcare access or quality of care.</p> <p>Historically, because of lower Medicaid reimbursements, private health insurance may have subsidized the cost of providing hospital and other services to Medicaid clients, roughly half of the state’s population.</p> <p>The state passed the 2024 Health Care Delivery and Access Act to tax hospitals and use the receipts as the state Medicaid match, generating an estimated \$1.2 billion in federal Medicaid revenue to bring hospital reimbursements up to the average commercial rate. Revenues to the health care affordability fund will also increase.</p> <p>Objective: If implemented thoughtfully, the influx of new Medicaid money into the hospital system should lead to an offset in the costs for providing health insurance to state and local government workers and in the private sector, offsetting inflation and reducing out-of-pocket costs.</p>	<p>Output: Hearings on state health benefits, self-insurance costs, and reimbursement rates for hospital services.</p> <p>Status report on how hospitals are using dedicated funding and hospital profitability.</p> <p>Review of Health Care Authority’s policy and fiscal oversight of Interagency Benefits Advisory Council (IBAC) health plans and joint purchasing.</p> <p>Review levels of federal and HCAF funding collected and expended at health insurance exchange, standard plans of care, lives covered, access to care, and out-of-pocket costs.</p>	<p>Make health insurance coverage more affordable and ensure coverage leads to reasonable access to healthcare.</p>	<p>Chenier, HHS Analysts, HCA, NMHIX.</p>	<p>Ongoing</p>

**PRIMARY ISSUES**

<b>Rank</b>	<b>Issues/Goals &amp; Objectives</b>	<b>Output</b>	<b>Outcome/Results</b>	<b>Responsibility</b>	<b>Finish Date</b>
<b>5</b>	<p><b>Pharmaceutical</b>                      Issue: Pharmaceutical prices and utilization continue to increase, contributing to higher costs and a greater share of workers' wages going towards medical care, including state agencies and state employees' health plans.</p> <p>Increased pharmaceutical costs limit access to healthcare.</p> <p>Objective: Research methods to address continued increases in pharmaceutical costs.</p>	<p>Output: Hearings on pharmaceutical costs and options to address increases.</p> <p>Review Medicaid program's participation in pharmaceutical rebate program compared with other states.</p>	<p>Make healthcare more affordable.</p> <p>Patients have access to appropriate medicine prescribed by their provider.</p>	Chenier, HHS Analysts	Ongoing
<b>6</b>	<p><b>SNAP, TANF</b>                      Issue: The Health Care Authority's Income Support Division, responsible for Supplemental Nutrition Assistance Program (SNAP) and the Temporary Assistance for Needy Families (TANF) program, struggles to keep up with current caseloads and performance for caseload processing times are far off target. Many families also do not meet federal work requirements affecting the state's labor force participation rate.</p> <p>However, to increase SNAP benefits for the elderly and disabled from \$32 monthly to \$100 monthly, HCA received \$14.1 million in general fund revenue. The increase in the threshold to receive benefits will increase the SNAP caseload for the elderly and disabled significantly.</p> <p>Objective: Work with HCA to improve SNAP and TANF caseload processing timelines and to increase recipients' employment participation.</p>	<p>Output: hearings on TANF and SNAP timeliness and the number of people meeting work requirements.</p> <p>Monitor SNAP benefit delays, fraud, and timeliness of enrollment.</p> <p>Monitor rollout of state-funded additional SNAP benefits.</p>	Reduce caseloads and get more people into the workforce.	Chenier, HHS Analysts, HCA.	Ongoing

**PRIMARY ISSUES**

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
7	<p><b>State Health Facilities</b>                      Issue: Department of Health state facilities continue to experience significant reductions in individuals receiving services. This has resulted in unused capacity and lower revenues.</p> <p>Objective: Monitor facility capacity. Visit facilities to better understand underutilized capacity and facility needs.</p> <p>Goal: Increase capacity utilization and third-party revenues to reduce or eliminate state facility funding deficits.</p>	<p>Output: Monitor facility capacity. Visit facilities to better understand underutilized capacity and facility needs.</p> <p>Monitor spending projections.</p> <p>Update status from recommendations of recent program evaluation and interim legislative hearings.</p> <p>Meeting and site visit with state facilities.</p>	<p>Outcomes: Improved budget recommendation and performance measures.</p>	<p>Klundt, DOH</p>	<p>December 202</p>
8	<p><b>Public Health</b>                      Issue: Department of Health Public Health offices received increased revenues to expand clinical services. The system should align with community service needs.</p> <p>Objective: Review expansion Public Health office clinical service availability. Visit Public health offices to better understand underutilized capacity and service needs.</p> <p>Goal: Understand service need and capacity of public health offices.</p>	<p>Output: Monitor and visit offices to better understand underutilized capacity and needs.</p> <p>Monitor department spending.</p> <p>Update status from recommendations of recent program evaluation and interim legislative hearings</p>	<p>Outcomes: Improved budget recommendation and performance measures.</p>	<p>Klundt, DOH, HHS Analysts</p>	<p>December 2024</p>

**PRIMARY ISSUES**

<b>Rank</b>	<b>Issues/Goals &amp; Objectives</b>	<b>Output</b>	<b>Outcome/Results</b>	<b>Responsibility</b>	<b>Finish Date</b>
<b>9</b>	<p><b>New Medicare</b>                      Issue: As a social safety net agency, the Aging and Long-Term Services Department oversees funding the area agencies on aging (AAA), the state also appropriated increases funding for the agency to provide for emergency advancements and additional funding AAA. Additionally, the department received significant revenues for the New Medicare program to supplement services.</p> <p>Goal: Improve Aging Network fund allocations and monitor implementation and outcomes of New Medicare program.</p>	<p>Output: Monitor emergency advancements and gain an understanding of the need.</p> <p>Monitor AAA allocations and system needs.</p> <p>Monitor New Medicare expansion and develop program outcome measures.</p>	<p>Outcome: Improve services for aging adults</p>	<p>Klundt, ALTSD</p>	<p>Ongoing</p>
<b>10</b>	<p><b>Developmental Disabilities</b>                      Issue: The developmental disabilities Medicaid waiver substantially reduced the waiting list for services. Provider stability and network adequacy are essential in ensuring successful outcomes.</p> <p>Goal: Monitor movement of individuals from wait list to waivers and the effectiveness of the supports waiver. Improve evaluating appropriate service levels on DD waiver to reduce average costs and expedite individual budget allocations.</p>	<p>Output: Monitor wait list status and composition, appropriate service levels.</p> <p>Monitor service quality and safety.</p> <p>Interim legislative hearings</p>	<p>Outcome: Support provider scaling, reduce average costs to the state, and improve outcomes for people.</p>	<p>Chenier, Klundt, HHS Analysts</p>	<p>Ongoing</p>

**PRIMARY ISSUES**

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
11	<p><b>Child Well-Being</b>  <u>Issue:</u> <i>Child Welfare</i>. New Mexico consistently has one of the highest rates of child maltreatment and repeat child maltreatment, and LFC reports have highlighted gaps and challenges in the child welfare system, including: a lack of professional workforce and high rates of turnover, a need to move investments to evidence-based prevention programs leveraging federal funds, implement differential response in an evidence-based way, and increase the availability of behavioral health, treatment foster care, and foster care providers.</p> <p><u>Objective: 1 Prevention and Early Intervention</u></p> <p>A) Expand and monitor the implementation of prevention and early interventions to ensure programs are evidence-based, implemented with fidelity, and eligible to maximum drawdown of federal Title IV-E and Medicaid funding.</p> <p>B) Continue monitoring the implementation of the state’s CARA program. Work with HCA, CYFD, and DOH to ensure birthing services in rural areas are high quality and sufficiently serve rural populations and ensure families with infants born exposed to substances receive appropriate services.</p> <p><u>Objective 2: Implementation of Multilevel Response</u>            In 2019, the Legislature amended Section 32A-4-4.1 NMSA 1978 to create multilevel or differential response. Previous LFC reports have highlighted concerns implementation has not followed evidence-based models and implementation has been geographically limited. CYFD has shared plans to expand statewide. In FY24, the GRO provided funding to expand the program statewide, in alignment with statute.</p>	<p><u>Output:</u> Work with CYFD to understand submitted Title IV-E plan and summarize in briefs and LegisStat</p> <p>Monitor program implementation and fidelity.</p> <p>Develop an approach for tracking and reporting performance measures associated with 2024 GRO appropriations.</p> <p><u>Output:</u> Work with CYFD to understand the agency’s plan and approach to multilevel response implementation</p>	<p><u>Outcomes:</u>            Implementation of approved Title IV-E Plan</p> <p>Reduced child maltreatment            Increased uptake in service utilization and decreased engagement with CPS among CARA families</p> <p><u>Outcome:</u> Improved FY26 budget recommendations and potential recommendations to statutory changes</p>	<p>Garcia, Klundt, Chenier, LFC HHS team, CYFD, DOH, HCA, SM 5 Task Force</p>	<p>December 2024</p>

**PRIMARY ISSUES**

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
12	<p><b>Home Visiting</b>                      Issue: The state has invested additional revenues to expand the Medicaid matched home visiting program. Implementation to expand Medicaid eligible providers has lagged behind appropriations resulting in unmatched federal revenues.</p> <p>Objective: Monitor the expansion of the Medicaid matched home visiting program. Provide policy options to expand program more quickly.</p>	<p>Output: Continued monitoring of Medicaid matched home visiting program.</p> <p>Identify latest national policy trends expand program.</p> <p>Possible interim legislative hearings</p> <p>Volume 1 Policy Discussion</p>	<p>Outcome: Improved budget recommendation and performance measures.</p>	Klundt, ECECD	December 2024
13	<p><b>Childcare</b>                      Issue: Childcare assistance is the state’s largest early childhood program. Monitoring of program growth and policy development needs to remain a legislative priority, to ensure high quality services, improve coordination, and to avoid duplication of federal Head Start and prekindergarten.</p> <p>Objective: Provide policy options to improve system continuity including monitoring of quality standards and underserved populations such as infants, continued monitoring or quality improvement, monitor system capacity, and collaboration with federally funded Head Start programs.</p> <p>Goal: Monitor quality of childcare assistance program continue to improve and receive evidence-based services.</p>	<p>Output: Continued monitoring of the implementation of quality improvements.</p> <p>Identify latest national policy trends regarding infant and toddler care</p> <p>Monitor prekindergarten expansion and childcare assistance funding.</p> <p>Monitor ending of nonrecurring federal childcare assistance related to recurring program spending.</p> <p>Volume 1 Policy Discussion</p>	<p>Outcome: Improved budget recommendation and performance measures.</p> <p>Monitor copayment restructure and other policy changes</p>	Klundt, ECECD	December 2024



**SECONDARY ISSUES**

<b>Rank</b>	<b>Issues/Goals &amp; Objectives</b>	<b>Output</b>	<b>Outcome/Results</b>	<b>Responsibility</b>	<b>Finish Date</b>
<b>1</b>	<p><b>MMISR</b> Issue: The Medicaid Management Information System replacement (MMISR) IT project is expected to cost approximately \$300 million over several years. MMISR is associated with HHS 2020 and combines IT system modules for use by HSD, DOH, CYFD, and ALTSD.</p> <p>Objective: Maintain federal funding for implementation of MMISR in FY26 and FY27. Goal: Implement MMISR to provide more functionality, transparency and in-house data for all HHS services and programs.</p>	<p>Output: Convene quarterly MMISR update meetings. Attend all PCC meetings. Collaborate with the HSD/HCAD and Department of Information Technology (DoIT) on MMISR funding needs, IV&amp;V status, timelines, and federal funding outlook.</p>	<p>Outcome: Quarterly reports on MMISR implementation status.</p> <p>LHHS hearing to present LFC MMISR memo.</p>	<p>Chenier, Hilla, HHS Analysts, Russell Toal</p>	Ongoing
<b>2</b>	<p><b>Medicaid Budget Projections</b> Issue: Conduct in-house Medicaid projections.</p> <p>Goal: Build internal LFC capacity to produce independent Medicaid budget projections.</p>	<p>Output: Build internal LFC capacity to produce independent Medicaid projections.</p>	<p>Outcome: Inform recommendations for FY25 Medicaid budget and collaborate with HSD/HCA on the Medicaid program.</p>	<p>Chenier, HHS Analysts</p>	Ongoing
<b>3</b>	<p><b>Hospital Data and Performance</b> Issue: During the 2024 session, legislators did not have reliable data to assess the financial stability of the state’s hospitals and other providers on an individual basis.</p> <p>Goal: Build an easily accessible dashboard with data from CMS cost reports.</p>	<p>Output: Work with RS21 to establish dashboards</p>	<p>Outcome: Easily accessible hospital data to assess financial stability.</p>	<p>Chenier, HHS Analysts, RS21</p>	Fall 2024

4	<p>Issue: With passage of the Health Care Delivery &amp; Access act, injecting \$1.1 billion into the state’s hospitals, there is a good possibility there will be continued consolidation and acquisition attempts among the state’s hospitals.</p> <p>The state also passed the Health Care Consolidation Oversight Act.</p> <p>Goal: Ensure hospital consolidation or acquisitions result in the best possible outcomes for state residents. Oversee the Office of the Superintendent of Insurance’s execution of the Health Care Consolidation Oversight Act (HCCOA).</p>	Output: Oversee execution of HCCOA	Outcome: Best possible outcomes for state’s residents when consolidation of hospitals occurs.	Chenier, Rodriguez, HHS Analysts	Fall 2024
5	<p><b>Waitlist for Guardianship Services</b></p> <p>Issue: In FY23, the Developmental Disabilities Council (DDC) experienced an increase in the number of professional guardianship cases due to the Department of Health’s (DOH) developmental disabilities waiver program. The guardianship provider pool throughout the state is small, and the number of certified professional guardians in the state is declining too. These components have contributed to the growing waitlist for guardianship services. In the 2024 legislative session, DDC was allocated a \$200 thousand special appropriation for guardianship wait list management and was granted two additional FTE for the Office of Guardianship (OOG).</p> <p>Goals/Objective: Finding solutions to reduce the average amount of time (in months) on wait list for guardianship services.</p> <p>Finding solutions to reduce the number of people on the wait list for guardianship services (monthly).</p>	Output: Work with DDC to develop a plan for how they will utilize the funding. Funding is intended to reduce the time an individual spends on the wait list. In addition, LFC will also analyze if the additional 2 FTE will expand OOG’s capacity to provide guardianship services.	Outcome: Reduce the amount of time spent on the wait list.	DDC (OOG), DOH, evaluators, and Isaiah	Ongoing

# 2024 INTERIM WORK PLAN SUMMARY

## Child Welfare and Workforce

(Rachel Mercer Garcia)

**Mercer Garcia: CYFD, OFRA, Workforce Solutions and Worker’s Compensation Administration**

PRIMARY ISSUES: Child Welfare					
Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish
1	<p><b><u>Prevention and Early Intervention</u></b></p> <p><u>Issue 1:</u> New Mexico consistently has one of the highest rates of child maltreatment and repeat child maltreatment in the U.S. Child maltreatment is preventable, and New Mexico should leverage state and federal funds for evidence-based prevention programs.</p> <p><u>Goal 1:</u> Expand and monitor the implementation of prevention and early interventions to ensure programs are evidence-based, implemented with fidelity, and eligible to maximum drawdown of federal Title IV-E and Medicaid funding.</p> <p><u>Issue 2:</u> CARA Implementation Issue: Birthing services in rural areas continue shrinking because of high malpractice premiums, low volume, and workforce issues. These services are vital to ensuring healthy infants and mothers.</p> <p>Additionally, families with infants born exposed to substances continue to not receive appropriate services and treatment leading to abuse, as evidence by the 2023 LFC CARA implementation evaluation.</p> <p><u>Goal 2:</u> Work with HCA, CYFD, and DOH to ensure birthing services in rural areas are high quality and sufficiently serve rural populations and ensure families with infants born exposed to substances receive appropriate</p>	<ol style="list-style-type: none"> <li>1. Work with CYFD to understand the agency’s plan for resubmitting the state’s Title IV-E Families First Prevention plan and implementing evidence-based programs</li> <li>2. Develop approach for tracking and reporting performance measures associated with 2024 GRO appropriations</li> <li>3. CYFD’s federal Title IV-E plan will be submitted and approved, and analysis will validate the extent to which additional federal funds may be draw down</li> </ol> <p>Product: LegisStat hearing and briefs</p>	<ol style="list-style-type: none"> <li>1. Reduced child maltreatment and repeat maltreatment</li> <li>2. Sustainable federal funding for evidence-based prevention and early intervention efforts in the future</li> </ol>	<p>CYFD, federal government, technical assistance provider, Garcia</p>	<p>December 2024</p>

2	<p><b><u>Multi-Level Response</u></b></p> <p><u>Issue 1:</u> In 2019, the Legislature amended Section 32A-4-4.1 NMSA 1978 to create multilevel or differential response, an evidence-based approach to diverting families from a traditional investigation response in appropriate cases to an alternative response and connection to resources and interventions to prevent child maltreatment. Previous LFC have highlighted concerns that implementation has not followed evidence-based models and implementation has been geographically limited. CYFD has shared plans to expand statewide. In FY24, the GRO provided funding to expand the program statewide, in alignment with statute.</p> <p><u>Goal 1:</u> Expand and monitor the implementation of multilevel response, including families served, families receiving services, levels of risk, and outcomes.</p>	<ol style="list-style-type: none"> <li>1. Work with CYFD to understand the agency’s plan and approach to multilevel response implementation</li> <li>2. Building committee understand for the elements of implementation fidelity and monitor progress</li> <li>3. Develop an approach for tracking and reporting performance measures associated with 2024 GRO appropriations</li> </ol> <p>Products: Activity reports, SM5 topic briefing, hearing topic, LegisStat briefs, budget recommendations</p>		Garcia, CYFD	December 2024
3	<p><b><u>Protective Services and Behavioral Health Workforce</u></b></p> <p><u>Issue 1:</u> Protective Services workforce shortages continue to hamper the state’s efforts to address child maltreatment. Protective Services consistently has high vacancy rates, roughly 20 percent in March 2024, and high turnover rates, roughly 35 percent in the second quarter of FY24. In addition, CYFD left a \$3 million appropriation for the recruitment and retention of caseworkers unused, and the Legislature reauthorized this appropriation in FY25. In addition, the Legislature appropriated \$1.7 million through the GRO to pilot and evaluate a program to incentivize masters-level social work licensure among Protective Services caseworkers.</p> <p><u>Goal 1:</u> Work with CYFD to determine the strategies the agency is using to recruit, develop, and retain Protective Services staff, specifically licensed social workers, and develop an approach for tracking and reporting metrics related to Protective Services staffing.</p>	<ol style="list-style-type: none"> <li>1. Work with CYFD to understand the agency’s plan for implementing a workforce plan, as required by Kevin S, and efforts to increase licensed social workers</li> <li>2. Develop an approach for tracking and reporting performance measures associated with GRO appropriations</li> </ol> <p>Products: Activity reports, SM5 topic briefing, hearing topic, LegisStat briefs, budget recommendations</p>		Garcia, CYFD	December 2024

3	<p><b><u>Protective Services and Behavioral Health Workforce</u></b></p> <p><u>Issue 2: Behavioral Health Providers</u>  The Kevin S. settlement as well as LFC reports have documented the scarcity of children’s behavioral health providers, particularly to deliver MST, FFT, and other evidence-based services. A \$20 million appropriation to increase BH provider capacity has gone unused, and proposed uses do not align to the intended purpose. In 2024, the Legislature re-authorized the \$20 million appropriation, splitting \$10 million each between CYFD and HCA.</p> <p><u>Objective 2:</u> Work with CYFD and HCA to determine the intended use of the appropriations and ensure alignment with the intended purpose. Track and report about expenditures and outcomes, specifically an increase in BH providers to serve children.</p>	<ol style="list-style-type: none"> <li>1. Work with CYFD to understand the agency’s plan for spending the appropriation and increase BH providers</li> <li>2. Develop an approach for tracking and reporting performance measures associated with the \$10 million appropriation for CYFD</li> </ol> <p>Products: Activity reports, SM5 topic briefing, hearing topic, LegisStat briefs, budget recommendations</p>		Garcia, Chenier, CYFD, HCAD	December 2024
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3	<p><b><u>Protective Services and Behavioral Health Workforce</u></b></p> <p><u>Issue 3:</u> CYFD continues to house hard-to-place youth in office buildings when unable to find alternative placements, while the <i>Kevin S.</i> settlement agreement committed CYFD to minimize congregate care placements, develop and implement trauma-responsive training for foster care providers, and increase the number placements in foster care and treatment foster care. Yet, CYFD annual desktop reports in FY24 noted a decline in the number of foster families in the state. The Legislature appropriated \$3.75 million over three years to recruit, train, and retain treatment foster care providers and foster care placements for hard-to-place youth.</p> <p><u>Objective 3:</u> Expand and monitor placements in treatment foster care and foster care, recruit and retain treatment foster care and foster care families.</p>	<ol style="list-style-type: none"> <li>1. Work with CYFD to understand the agency’s plan for increasing the number of treatment foster care providers and foster care families for hard-to-place youth and reducing congregate care and office placements</li> <li>2. Develop approach for tracking and reporting performance measures associated with 2024 GRO appropriations</li> </ol> <p>Products: Activity reports, SM5 topic briefing, hearing topic, LegisStat briefs, budget recommendations</p> <ol style="list-style-type: none"> <li>3.</li> </ol>	<p>Outcome: Reduced congregate care placements. Increased treatment foster care and foster care families and placements</p>	<p>CYFD, Garcia</p>	<p>December 2024</p>
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4	<p><b><u>System oversight, accountability, and structure</u></b></p> <p><u>Issue 1:</u> Both a 2022 Executive Order and the SM5 called for a review of the organization of the state’s child welfare system, and CYFD has proposed a reorganization of the department.</p> <p><u>Objective 1:</u> Review national best practices related to an ideal child welfare system and analyze how the state’s child welfare system is organized to respond to different levels of service and family needs. Convene the SM5 taskforce, which will include this review.</p> <p><u>Issue 2:</u> Co-neutral reports suggest CYFD has failed to meet action steps outlined in the Kevin S. settlement, and LFC reports and analysis CYFD has represented itself in several cases, instead of going through GSD. As a result, settlements and expenditures resulting from litigation are unknown.</p> <p><u>Objective 2:</u> Work with CYFD and GSD to implement recommendations from the Risk Management evaluation, ensuring the department uses GSD when litigating, and report settlement and legal costs to increase transparency and accountability.</p>				
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**Secondary Issues: Child Welfare**

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p><b><u>Office of Family Representation and Advocacy</u></b></p> <p><u>Issue 1:</u> The Legislature created the Office of Family Representation and Advocacy in 2022, and the new office received its first operating budget in FY24. Also in FY24, the agency reported the need for emergency funding and applied for a supplemental appropriation, though LFC analysis projected the agency could operate within their FY24 budget. OFRA also received \$4.8 million in GRO appropriations to pilot and evaluate multidisciplinary legal teams</p> <p><u>Goal 1:</u> Monitor the implementation of OFRA operations and expenditures as the organization scales, and monitor the implementation and outcomes associated with multidisciplinary legal teams.</p>	<ol style="list-style-type: none"> <li>1. Develop an approach for tracking and reporting performance measures associated with 2024 GRO appropriations, including reduced time to permanency</li> <li>2. Products: Activity reports and volume narratives</li> </ol>	<p>Outcome: Inform the FY26 budget recommendation</p> <p>Outcome: Reduced time to permanency decisions in CYFD case proceedings</p>	Garcia	October 2024
2	<p><b><u>Juvenile Justice Services</u></b></p> <p><u>Issue 1:</u> The populations in Juvenile Justice Services facilities has declined, and CYFD closed the Camino Nuevo Facility in recent years. LFC evaluations have recommended redirecting unused resources to the front end of the system.</p> <p><u>Objective 1:</u> Determine whether Juvenile Justice savings could be reinvested in evidence-based community programs.</p>	Outputs: Activity reports, SM5 topic briefing, hearing topic, budget recommendations	Outcome: Reinvestment of Juvenile Justice funding for improved outcomes	Garcia	December 2024



3	<p><u>Issue:</u> In FY24, CYFD reported the need for significant increases within the care and support line item within the General Fund, without a corresponding increase in federal funds. The <a href="#">FFY25</a> federal FMAP rate is 71.68% and the enhanced FMAP rate is 80.18%, thus it is unclear how the General Fund share of care and support costs could be increasing at a significant rate, as reported by CYFD.</p> <p><u>Objective:</u> Monitor FY24 care and support expenditures and federal reimbursement to inform FY26 budget recommendations.</p>	<p>Outputs: activity reports and care and support expenditure and projection analysis to inform FY26 budget recommendation</p>	<p>Outcome: Improved FY26 budget recommendation</p>	<p>Garcia</p>	<p>November 2024</p>
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**PRIMARY ISSUES: Labor Force Participation and Workforce**

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p><b>Workforce Participation:</b> As of January 2024, New Mexico’s labor force participation rate is 57.3 percent, and the state continues to lag behind the national average. While the state has made several investments to increase participation and WSD has implemented a variety of programs, New Mexico needs to add roughly 100 thousand workers overall, or 40 thousand workers of prime working age, to the labor force to meet the national average.</p> <p>Research Questions:</p> <ul style="list-style-type: none"> <li>• What are the groups not participating in the labor force and why?</li> <li>• For populations not participating in the labor force at high rates, what are the programs being implemented by state agencies to target these populations, and what are the outcomes?</li> </ul> <p>Objectives:</p> <ol style="list-style-type: none"> <li>1) Break down the populations of New Mexicans not participating in the labor force by demographics and geography to identify target populations</li> <li>2) Inventory and summarize the performance of programs currently targeting disengaged adults not participating in the labor force</li> </ol>	<p><u>Output:</u> Work with WSD, Corrections, and other state agencies to identify the populations and inventory programs and outcomes</p> <p>Products: LegisStat, hearing briefs, activity report, program evaluation</p>	<p><u>Outcome:</u> FY26 budget and policy recommendations to increase workforce participation, targeted to various disengaged populations</p>	<p>Garcia, Sanchez, Program Evaluators (Rovang, Hernandez)</p>	<p>December 2024</p>

2	<p><b><u>Workforce Training</u></b></p> <p><u>Apprenticeships and Non-Credit Training Programs</u></p> <p><u>Issue 1:</u> The Legislature appropriated \$20 million per year for three years to support regional universities and two-year colleges in creating workforce training, apprenticeship, and internship programs. In addition, the Legislature created the Development and Apprenticeship Fund and appropriated \$30 million to the fund expand apprenticeship programs, beginning in FY24.</p> <p><u>Objective:</u> Monitor and report about implementation, uptake, and outcomes associated with these investments, particularly on their impact to income and labor force participation of completers.</p> <p><u>Youth Employment: Be Pro Be Proud and Pre-Apprenticeship</u></p> <p><u>Issue 2:</u> The Legislature appropriated \$6 million to pilot and evaluate a trades career exploration program and a \$1.8 million appropriation to pilot and evaluate a youth re-employment and pre-apprenticeship program. The Legislature intended to target these programs to disengaged youth, though this language was vetoed. These programs may be similar to or duplicative to investments in CTE and internships made through the K-12 system but are intended to increase workforce participation of young adults.</p> <p><u>Objective 2:</u> Work with WSD to develop metrics to track and evaluate the impact of these programs on labor force participation of participants. Report about implementation and outcomes, as well as potential overlap or duplication of PED programs.</p>	<p><u>Output:</u> Potential LegisStat or brief topic, updates for volumes, activity reports</p> <p>Inventory of career development and workforce training programs and expenditures</p> <p><u>Output:</u> Performance monitoring metrics, potential LegisStat or briefs, updates for volumes</p>	<p><u>Outcome:</u> Improved accountability and transparency of workforce training programs. Improved FY26 budget and performance monitoring recommendations</p>	<p>Garcia, Jorgenson, Sunny</p>	<p>December 2024</p>
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**Secondary Issues: Workforce**

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p><b><u>Family Medical Leave</u></b>  <b>Issue:</b> The 2024 Legislative session included several proposals related to paid family medical leave.</p> <p><b>Objective:</b> Monitor ongoing efforts and continue developing modeling of fiscal impact.</p>	Output: Monitor and improve modeling	Outcome: Better inform the Legislature on the impact of future proposals	Faubion, Garcia	November 2024
2	<p><b><u>Worker’s Compensation Administration</u></b></p> <p><b>Issue:</b> The base assessment for workers’ compensation has not increased since it was first established in 1993 through Section 52-5-19 NMSA 1978, and the agency uses this revenue for operations. In the last two fiscal years, WCA expenses have grown faster than revenue, and the WCA fund balance is declining. An annual \$1 million fund balance from WCA to WSD supports apprenticeship programs.</p> <p><b>Objective:</b> Monitor WCA revenues and expenditures and conduct fund balance analysis to inform the FY26 budget recommendation.</p>	Output: Activity report item	Outcome: Inform the FY26 budget recommendation	Garcia	October 2024

3	<p><b><u>Core Program Implementation (UI and Labor Relations)</u></b></p> <p><u>Issue 1:</u> Agency performance metrics and report cards have highlighted concerning trends related to performance of core functions, including time to process UI claims and make wage determinations. WSD received an adverse ruling setting a standard for time to issue wage determinations, and the Legislature appropriated \$1.8 million for additional FTE in Labor Relations to address time to determinations.</p> <p><u>Objective:</u> Monitor efforts to improve core function performance.</p>	<p><u>Output:</u> work with WSD to monitor performance and summarize in activity reports and report cards.</p>	<p><u>Outcome:</u> Improve FY26 budget and performance recommendations</p>	Garcia	
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## 2024 INTERIM WORK PLAN SUMMARY

### Justice/Public Safety

(Scott Sanchez, F. Garcia)

**Scott Sanchez, Felix Chavez: DPS, NMCD, Courts, DAs, LOPD**

PRIMARY ISSUES					
Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p><b>Issue:</b> Parole revocations comprise about one-third of prison admissions, with a significant number of revocations due to technical violations, driving up costs. The governor vetoed 2023 legislation to reduce incarceration due to technical probation or parole violations (Senate Bill 84). Individuals remain incarcerated despite being eligible for release because the Parole Board has denied their release, often due to issues finding appropriate housing. The Legislature appropriated funds to provide transitional housing in FY23, which the Corrections Department (NMCD) is implementing. The Parole Board did not grant any medical or geriatric parole applications in FY21 or FY22. Laws 2023, Chapter 89 (Senate Bill 29) gives NMCD additional control over the medical and geriatric parole process and should increase the number of individuals who receive parole.</p> <p><b>Goal:</b> Coordinate work through NMSC to develop consensus legislation to reduce incarceration for technical probation parole violations. Monitor implementation of 2023 SB29. Monitor NMCD's implementation of transitional housing. Develop improved performance measures for NMCD and the Parole Board to better monitor relevant outcomes.</p>	Activity reports, performance measures, recommended legislation for the 2025 legislative session, FY26 budget recommendation, and narrative.	1. Reduced incarceration of individuals on parole and continued reductions in prison populations and costs.	Sanchez, Chavez, Tolman	December 2024
2	<p><b>Issue:</b> Although NMCD's three-year recidivism rate has improved recently, it remains incredibly high. NMCD has created a new Reentry Program consolidating recidivism reduction, educational and community correction programming, and transitional services. The Legislature appropriated funds from FY21 through FY22 for NMCD to pilot reentry programming with a randomized control trial, with an assessment of programming effectiveness on recidivism due in October 2023. The assessment provided was minimal and not informative.</p> <p><b>Goal:</b> Develop more robust performance measures for the Reentry Program to monitor their output and outcomes and improve accountability effectively. Monitor reentry and recidivism reduction programming pilot projects. Examine programming offerings both inside and outside the Reentry Program. Provide policy and budgetary recommendations to address issues in this area to reduce barriers to successful reentry and reintegration.</p>	Activity reports, performance measure recommendations, budget recommendations, and narrative.	Improved data and accountability on reentry programs, improved reentry process, increased funding for effective recidivism reduction programs, and reduced recidivism.	Sanchez	December 2024

3	<p><b>Issue:</b> District Attorneys have begun reporting <i>Average Attorney Caseload</i> in FY24, a welcome performance measure enabling the Legislature to track judicial outcomes and attorney workload better. However, the caseload is broken up between felonies and misdemeanors, nor is it broken up between case types such as traffic violations vs. murder cases. This lack of information hinders the ability of the Legislature to monitor the makeup of a District Attorney’s caseload and presents an incomplete picture of an attorney's workload.</p> <p><b>Goal:</b> Coordinating with the Administrative Office of the District Attorneys, District Attorneys, and Law Enforcement on best practices for data reporting and how to possibly produce more complete data sets for the Legislature.</p>	Meetings with stakeholders, Performance Measure recommendations, recommended legislation, Activity Reports on how similar states DA’s report data.	A clearer picture of District Attorneys and the caseloads, better data, and opening the door to slowly requesting clearance rates for different types of cases.	Chavez, Sanchez	December 2024
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SECONDARY ISSUES					
Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p><b>Issue:</b> New Mexico’s public safety outcomes remain some of the worst in the nation, resulting in significant costs to the state. Many differing proposals address these issues, and producing a budget recommendation that aligns with the Legislature’s policy direction and supports best practices, evidence-based- and research-based policies, and effective programs requires ongoing collaboration between staff and legislators.</p> <p><b>Goal:</b> Coordinate with interested legislators (especially LFC members and members of the Courts, Corrections, and Justice Committee) on areas of interest regarding public safety and help them develop budgetary and legislative proposals. Monitor the Sentencing Commission’s (NMSC) project to rewrite the criminal code.</p>	High-level tracking sheet, meetings with stakeholders, FY26 budget recommendations and narratives, and recommended legislation.	Reduced costs to the justice system and reprioritization of funding towards effective interventions to prevent crime, reduce recidivism, and address victim needs.	Sanchez, Chavez, Courtney	December 2024
	<p><b>Issue:</b> Public trust in the criminal justice system to fairly and responsibly enforce the law continues to erode, especially in the pretrial phase. Past reform efforts have proposed overbroad changes that, evidence suggests, may have little impact on crime, create significant costs, and raise constitutional issues.</p>	Stakeholders’ meetings, activity reports, report cards, and recommended legislation.	Improved policy analysis, strengthened public confidence in the criminal justice system, and enhanced budget recommendations.	Chavez, Sanchez, Courtney	November 2024

**SECONDARY ISSUES**

<b>Rank</b>	<b>Issues/Goals &amp; Objectives</b>	<b>Output</b>	<b>Outcome/Results</b>	<b>Responsibility</b>	<b>Finish Date</b>
	<p><b>Goal:</b> Analyze the current judicial framework of re-offense risk assessments. Propose statutory changes that will improve oversight and public trust in the pretrial risk adjudication process while ensuring constitutional rights are upheld, if necessary.</p>				
<b>3</b>	<p><b>Issue:</b> Significant reductions in prison populations and changes to NMCD’s classification system provide savings within the prison system, and future reforms to the criminal code (including sentencing reform) and the probation and parole systems could produce further savings to reinvest in effective interventions to address the root causes of crime (and reduce recidivism) inside and outside prisons, improve swiftness and certainty of justice for the most violent crimes, and better serve individuals and communities victimized by violent crime. The state must ensure these savings are captured and reinvested in effective programs, and future criminal justice reform efforts should contain mechanisms to capture and reinvest savings.</p> <p><b>Goal:</b> Develop a system for identifying, capturing, and reinvesting savings from reduced criminal justice involvement and reduced incarceration. Research justice reinvestment legislation implemented in other states (Louisiana, Utah, Kansas) to enact reforms and redirect savings.</p>	<p>Activity reports, memos summarizing different approaches, memos on the recommended systems, legislation, savings projections, and budget recommendations.</p>	<p>Increased investments in effective interventions to prevent crime, reduce recidivism, and address victim needs and investments in underfunded criminal justice system partners.</p>	<p>Sanchez, Chavez</p>	<p>December 2024 (interim deliverables: activity reports, memo summarizing different approaches)</p>
<b>4</b>	<p><b>Issue:</b> Laws 2022, Chapter 56 (House Bill 68), the 2022 GAA, Laws 2023, Chapter 188 (House Bill 357), and the 2023 GAA modify and create several programs to provide grants or otherwise distribute funds to promote public safety across many agencies, with almost \$200 million appropriated over two years. Implementing some of these programs during FY23 prompted concerns, particularly regarding law enforcement recruitment and retention money appropriated to DFA. Some of the 2023 appropriations include guardrails to protect against such issues in the future, while others do not.</p>	<p>Activity reports, memos, and budget recommendations.</p>	<p>Successful implementation of programs to fund effective solutions to issues in the criminal justice system, including violent crime, law enforcement staffing shortages, law enforcement and public attorney training deficiencies, and insufficient pretrial services and monitoring.</p>	<p>Sanchez, Chavez, Klundt, Hilla</p>	<p>Ongoing</p>



**SECONDARY ISSUES**

<b>Rank</b>	<b>Issues/Goals &amp; Objectives</b>	<b>Output</b>	<b>Outcome/Results</b>	<b>Responsibility</b>	<b>Finish Date</b>
	<p><b>Goal:</b> Monitor and evaluate these programs' implementation and administration to ensure they have the intended impact, including establishing performance measures. Areas of focus should include law enforcement recruitment and retention funding appropriated without significant guardrails (\$107 million) and warrant enforcement funding (\$10 million).</p>				
<b>5</b>	<p><b>Issue:</b> Long adjudication times impact the criminal justice system and families. Currently, civil case outcome trends are worse than criminal case outcomes. Civil cases have a much wider array of impacts than criminal cases, and courts may be unnecessarily punitive to families, children, and the poor because of long adjudication times.</p> <p><b>Goal:</b> Analyze adjudication times, evaluate trends in civil case outcome data, identify procedural or practice changes that may improve outcomes, and research systemic changes that may improve the civil case pipeline.</p>	Activity reports, site visits, committee hearings, policy briefs, and budget recommendations.	Prioritization of civil cases in budget recommendations and improved report cards.	Chavez	December 2025  (2024 interim deliverables: activity reports, site visits, committee hearing)
<b>6</b>	<p><b>Issue:</b> Data-based decision-making in the criminal justice system is improving and can potentially reduce crime, recidivism, and spending. However, much of this data is siloed, and obtaining reliable data streams from local criminal justice partners has been difficult. NMSC and the Administrative Office of the Courts (AOC) have received funding in the 2023 GAA and prior years to support data integration efforts.</p> <p><b>Goal:</b> Monitor progress on data integration efforts led by NMSC and work with the commission to ensure the creation of reliable data streams for criminal justice data relevant to lawmakers. Demonstrate the utility of a data integration system by working with AOC and NMSC to develop a dashboard that monitors arrests, charges, adjudications, and incarceration related to criminal penalty changes by legislative session.</p>	Activity reports, stakeholder meetings, dashboards, budget narratives, and more informative criminal justice FIRs.	Integrated data sharing between justice partners, improved understanding of crime trends and their impact on costs to the criminal justice system (enforcement, adjudication, and incarceration), and improved data on how individuals navigate the criminal justice system. Improved targeting of legislative efforts to reduce crime.	Sanchez, Chavez, Hilla	Ongoing  (2023 interim deliverables: activity reports, stakeholder meetings, and new/changed crime dashboard)
<b>7</b>	<p><b>Issue:</b> NMCD's classification system has been shown to be insufficient to meet current needs, and the agency is currently reevaluating and redesigning it, making some changes in June 2021. Facility capacity and design should</p>	Site visits, activity reports, budget narrative(s), and budget recommendation(s).	Improved FY26 operating and capital budget recommendations.	Sanchez, Carswell	Ongoing

**SECONDARY ISSUES**

<b>Rank</b>	<b>Issues/Goals &amp; Objectives</b>	<b>Output</b>	<b>Outcome/Results</b>	<b>Responsibility</b>	<b>Finish Date</b>
	<p>be right-sized to meet the needs of a new classification system, the <i>Duran</i> settlement agreement, and declining prison populations. The agency rescinded plans to close Springer Correctional Center and took over operations of two private prisons in November 2021 despite significant excess capacity in the prison system.</p> <p><b>Goal:</b> Monitor NMCD’s continuing efforts to redesign its inmate classification system and the impact of classification and other changes (including population declines, <i>Duran</i> settlement, etc.) on facility capacity usage. Evaluate the agency’s usage of non-state-owned prison facilities.</p>				

## 2024 INTERIM WORK PLAN SUMMARY

### Natural Resources

(Austin Davidson and Helen Gaussoin)

**Austin Davidson, Helen Gaussoin: EMNRD, YCC, OSE, Environment Department, ONRT, SLO, Game and Fish**

#### PRIMARY ISSUES

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p><b>Issue:</b> The Office of the State Engineer (OSE) received over \$75 million in nonrecurring funding for work on the middle and lower Rio Grande to support river channel improvements, water supply augmentation (including through treatment of brackish water), interstate compact litigation, and aquifer health. The agency should also be able to leverage additional federal funding for water infrastructure projects.</p> <p>Despite substantial state and federal government investments, the Energy, Minerals and Natural Resources Department’s (EMNRD) orphan oil and gas well-plugging program lagged in FY23 and has made decent progress towards FY24 goals. Both competitive and formula grants for this purpose were part of the federal infrastructure package, and EMNRD will need to commit resources to administer the funding it received.</p> <p><b>Objective:</b> Monitor agency success in committing funds for the stated purposes and applying for federal grants. Track federal dollars received, agency spending plans, and program performance. Participate in ongoing discussions with the Water Policy and Infrastructure Task Force to assist executive agencies with project planning and decision-making.</p>	<p>Activity report items, volume 1 and 2 discussions.</p> <p>Activity report and OSE performance report card updates on the progress of the projects and the task force’s work.</p> <p>Brief and hearing on <i>Texas v. New Mexico</i>, the Colorado River compact compliance efforts, and federal funding opportunities.</p> <p>Provide updates on the status of well-plugging efforts. Track expenditures from the oil reclamation fund—activity report updates.</p>	<p>Ensure funds are spent wisely and efficiently. Long-term solutions to ongoing water use issues that should improve settlement results in <i>Texas v. New Mexico</i> and ensure New Mexico’s compliance with interstate compacts, preventing interstate conflict in the future.</p> <p>Accountability and oversight related to a significant financial investment.</p> <p>Budget recommendations to leverage additional federal dollars.</p> <p>Economic development opportunities through water supply augmentation in drought-prone areas.</p>	<p>OSE, Davidson, Carswell</p>	<p>June, plus ongoing monitoring and updates.</p>

2	<p><b>Issue:</b> The Department of Finance and Administration (DFA) received \$100 million through the Hermits Peak-Calf Canyon Fire Recovery Funds Act (Laws 2023, Chapter 2) to provide zero-interest reimbursable loans to political subdivisions of the state to replace or repair infrastructure damaged by fire, flooding, or debris flows caused by the Hermit’s Peak-Calf Canyon Fire. The bill requires DFA to consult with the Department of Homeland Security and Emergency Management (DHSEM) when providing loans.</p> <p><b>Objective:</b> Monitor agency success in committing funds for the stated purposes: track federal dollars received and repayment of loans. Participate in meetings and information sessions hosted by DFA and DHSEM to ensure eligible entities receive timely and complete information about the program.</p>	<p>Activity report items, volume 1 discussion.</p> <p>Brief and hearing on the status of recovery funding and uptake by political subdivisions of the state.</p>	<p>Ensure funds are spent wisely and for the stated purpose. Ensure citizens of San Miguel and Mora counties can benefit from these recovery funds to restore damaged infrastructure.</p>	<p>DFA, DHSEM, Davidson, Sanchez, Hitzman</p>	<p>Ongoing</p>
3	<p><b>Issue:</b> The Environment Department’s (NMED) Water Protection Division (WPD) received \$950 in recurring funding for contract engineers and vacancy rate reduction. The division also received approximately \$27 million in special appropriations for various projects related to water quality, including the cleanup of contaminated groundwater, the development of a surface water discharge-permitting program, the regionalization of small water systems, and federal superfund match.</p> <p>The Office of the State Engineer received \$885 thousand for targeted pay raises, vacancy rate reduction, and a new capital project management team in the 2023 legislative session as well as \$2.7 million for expansions in the 2024 session for new FTE.</p> <p><b>Objective:</b> Monitor agency success in committing funds for the stated purposes. Track federal dollars received and the progress of the projects funded. Track recruitment and retention efforts and report on the division’s management of infrastructure projects.</p>	<p>Activity report items, volume 1 and 2 discussions.</p> <p>Provide updates on the status of the surface water discharge-permitting program and the rulemaking process for the regionalization of small water systems.</p>	<p>Additional information regarding the agency’s ability to develop other resources to support regionalization efforts and capacity development at political subdivisions of the state. (Consistent with the recommendations of the Water Policy Task Force.)</p>	<p>NMED, OSE, Davidson</p>	<p>Ongoing</p>

4	<p><b>Issue:</b> OSE performance measures do not effectively demonstrate progress towards the agency’s key objectives and overall mission. Data on metrics of interest to legislators, such as statewide dam safety, are also absent.</p> <p><b>Goal:</b> Work with OSE and DFA to develop measures that better reflect the agency’s work and core purpose and to improve performance reporting to convey the meaning and relevance of the data presented. Work with OSE to ensure the strategic plan has meaningful goals and objectives that can be measured.</p>	Performance measures focus on progress toward OSE’s strategic goals rather than administrative processes. More informative quarterly performance report cards.	Additional information regarding agency performance and areas needing improvement, leading to a more informed, data-driven budget recommendation.	Davidson	August
5	<p><b>Issue:</b> The Environment Department received over \$5.6 million from the general fund for “appropriate placement” for existing staff in the 2024 Legislative session, despite this, LFC and DFA staff are concerned the agency will come back in the FY26 Budget Cycle with another out-sized request for personnel funding.</p> <p><b>Goal:</b> Work with NMED and DFA to develop performance measures or get a report that explains how the department is working to complete appropriate placement throughout the various divisions.</p>	<p>Activity report items, volume 1 discussion, FY26 budget recommendation.</p> <p>Brief and hearing on the status of appropriate placement efforts</p>	Additional information regarding agency performance and areas needing improvement, leading to a more informed, data-driven budget recommendation.	Davidson	Ongoing

**SECONDARY ISSUES**

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p><b>Issue:</b> The Texas v. New Mexico lawsuit has entered the final stage of litigation, which will result in either trial or settlement.</p> <p><b>Goal:</b> Closely monitor litigation; provide a comprehensive analysis of the outcome, money spent on litigation, and implications for future water use in New Mexico.</p>	<p>Activity report items, budget recommendations, Volume 1 discussion.</p> <p>Work with appropriate agencies to ensure policies are in place to implement reforms successfully.</p>	<p>Provide the Legislature with actual cost and policy implications of case outcome.</p> <p>Improvement in interstate water deliveries.</p>	Davidson, Judicial Analyst, Evaluators	Ongoing

2	<p><b>Issue:</b> State law requires that 84 percent of publicly drawn hunting licenses be awarded to state residents, but because of private-land-owner preferences and other factors, the percentage of all licenses awarded to New Mexicans is much lower. Further, the perception among many hunters is that the system is rigged.</p> <p><b>Goal:</b> To identify issues with the current process, compare New Mexico Game and Fish Department practices to effective practices in other states, quantify how many licenses actually go to New Mexicans, review how hunting and fishing license fees are set in other states compared with New Mexico.</p>	Activity reports, memo	Better information for legislators	Gaussoin	ongoing
3	<p><b>Issue:</b> The New Mexico Livestock Board obtained statutory authority to conduct statewide meat inspections from the Legislature through the passage of Senate Bill 37 (Laws 2024, Chapter 60). Now the agency will be responsible for staffing up and working to obtain approval from the U.S. Department of Agriculture's (USDA) Food Safety Inspection Service (FSIS). Upon approval of the state-led meat inspection program, the agency will be able to receive federal funds to cover up to 50 percent of the costs of the meat inspection program.</p> <p><b>Goal:</b> Monitor the agency's efforts to staff up the meat inspection program (P686) and the agency's progress in obtaining FSIS certification from USDA FSIS.</p>	Activity report items, budget recommendations, Volume 1 and Volume 2 discussion	Ensure funds are spent wisely and for the stated purpose.	Sanchez, NMLB	Ongoing
4	<p><b>Goal:</b> Attend board and commission meetings (Water Quality Commission, Interstate Stream Commission, etc.), Water and Natural Resource Committee, and Radioactive and Hazardous Materials Committee meetings in the interim.</p>	Activity report items to inform legislators of board and commission activities.	Informed policy and budget recommendations.	Davidson	Ongoing

5	<p><b>Issue:</b> In the 2024 regular session, the Legislature passed Laws 2024, Chapter 54 establishing clean fuel standards to reduce greenhouse gas emissions per unit of fuel used in the transportation sector. Monitoring the rulemaking process surrounding the implementation of these standards will be critical to understanding future downstream impacts on regulatory agencies and industry. If there are additional budget impacts to NMED and EMNRD, these will need to be monitored closely ahead of FY26 budget recommendations.</p> <p><b>Goal:</b> Develop expertise on clean fuel standards to provide information as requested to support the goals set out in the Energy Transition Act and</p>	Activity report items, budget recommendations, Volume 1 and Volume 2 discussion	Informed policy recommendations and improved analysis of fiscal impact.	Davidson	August
7	<p><b>Issue:</b> The Game and Fish Department operates primarily on hunting and fishing fees, which has raised concerns the department focuses almost solely on game species, neglecting struggling wildlife populations.</p> <p><b>Goal:</b> To examine financing mechanisms in the wildlife agencies of similar states and explore alternatives to the heavy reliance on hunting and fishing fees.</p>	Memo on department financial environment and alternatives	Better informed decisions on all issues concerning department financing and management of wildlife	Gaussoin	September
8	<p><b>Issue:</b> Capital projects funded by the Legislature have faced difficulty progressing toward completion, especially when requiring inter-agency cooperation (water projects). Although LFC staff track the status of projects through the Capital Projects Management System (CPMS), no process currently exists to determine if local capital outlay appropriations result in complete functional phases.</p> <p><b>Goal:</b> Examine and report on the progress of stalled capital outlay projects relating to natural resources.</p>	Activity report items, budget recommendations, and Volume I and II discussion items.	Ensure funds are spent wisely and for the stated purpose and provide information regarding project progress.	Davidson, Carswell, Ortega	September

Rodriguez: EDD, Tourism, PRC, OSI, OMB, Border Authority, DCA, Spaceport Authority

PRIMARY ISSUES					
Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p><b>Issue – Business Incentives.</b> The state has invested heavily in business incentives, such as the Local Economic Development Act and Opportunity Enterprise Revolving Fund, and has many types of tax credits, such as the high wage jobs tax credit and manufacturer’s investment tax credit, and industrial revenue bonds available to encourage job creation, business expansion and relocation, and business investment. It is unclear how incentives are stacked and how much the state is “investing” into companies to attract them to New Mexico.</p> <p><b>Objective:</b> Work with industry, the Economic Development Department, and other economic development actors to monitor how incentives are stacked and determine costs to the state.</p> <p><b>Objective:</b> Map current investments and priorities.</p>	<p><b>Output</b> Research materials, FIRs</p>	<p><b>Outcome:</b> Clear understanding of how business and tax incentives are stacked for informed policy.</p> <p>Inform the Legislature on ways to leverage the state’s economic strengths to facilitate job creation and economic growth.</p> <p>Possible legislation for 60-day session.</p>	Rodriguez, Gray	September 2024
2	<p><b>Issue – Workforce and target industries.</b> EDD released its strategic plan that identifies the state’s target industries to diversify and grow its economy. The plan notes that the state’s workforce is not aligned with industry needs and that there are many gaps between the current and needed workforce. There are many actors involved that play in role in preparing New Mexico’s workforce. It is unclear how EDD, WSD, and HED work together to develop the state’s workforce and to ensure New Mexico residents are trained and educated to match existing and future businesses’ needs.</p> <p><b>Objective:</b> Ensure state agencies are collaborating to address workforce gaps and needs, and alignment with industry needs.</p> <p><b>Objective:</b> Determine how career services officers can be leveraged to support economic development opportunities.</p>	<p><b>Output:</b> Activity report, possible brief of subcommittee hearing topic</p>	<p><b>Outcome:</b> Alignment between involved state actors to address workforce gaps and alignment with industry needs.</p>	Rodriguez, Jorgensen, Rachel	Ongoing, September 2024



3	<p><b>Issue – Medical malpractice and the patient compensation fund:</b> The Legislature has implemented changes to medical malpractice laws and the patient compensation fund, along with judicial rulings over how medical costs are calculated. The fund has received large appropriations to better ensure solvency. However, the fund’s deficit is based on actuarial projections.</p> <p><b>Objective:</b> Determine whether the fund’s deficit should be based on a combination of actuarial projections with increased unfunded liabilities.</p> <p><b>Objective:</b> Understand how other states handle related funds.</p>	<p><b>Output:</b> Activity report, brief.</p>	<p><b>Outcome:</b> Informing Legislature and effective use of funds.</p> <p>Possible legislation for 60-day session.</p>	<p>Rodriguez, Esquibel</p>	<p>Ongoing, September 2024</p>
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**SECONDARY ISSUES**

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p><b>Issue:</b> The Office of Superintendent of Insurance is tasked with managing the health care affordability fund. Due to recent legislation, the fund will experience a significant increase in its balance—with an expected balance of \$200 million at the end of FY26. OSI uses the fund to decrease health care costs for small businesses, individuals on the marketplace, and soon, for undocumented individuals.</p> <p>Laws 2024, Chapter 32 (HB7 as amended) changed the distribution to HCAF from 30 percent to 55 percent beginning September 1, 2025, with an estimated additional \$83.2 million to the fund in FY26.</p> <p>Laws of 2024, Chapter 41, (SB 17), Health Care Delivery &amp; Access Act, increased the premium surtax to MCOs which will also increase the distribution to the fund with an estimated additional \$17.3 million in FY26.</p> <p><b>Objective:</b> Track actual expenditures of HCAF, track the success of new and future programs, and monitor revenue projections and expenditures for the fund.</p> <p><b>Objective:</b> Work with the agency to understand uses of fund balance.</p>	<p><b>Output:</b> Activity report items, regular meetings with OSI.</p> <p>LFC brief on fund and insurance affordability initiatives.</p>	<p><b>Outcome:</b> Budget recommendations, clear understanding of available funds and fund balance</p>	<p>Rodriguez, Esquibel</p>	<p>Ongoing</p>

2	<p><b>Issue:</b> With passage of the Health Care Delivery &amp; Access act, injecting \$1.1 billion into the state’s hospitals, there is a good possibility there will be continued consolidation and acquisition attempts among the state’s hospitals.</p> <p>The state also passed the Health Care Consolidation Oversight Act.</p> <p><b>Objective:</b> Ensure hospital consolidation or acquisitions result in the best possible outcomes for state residents. Oversee the Office of the Superintendent of Insurance’s execution of the Health Care Consolidation Oversight Act (HCCOA).</p> <p><b>Objective:</b> Understand how savings will translate to private insurance.</p>	<p><b>Output:</b> Oversee execution of HCCOA</p>	<p><b>Outcome:</b> Best possible outcomes for state’s residents when consolidation of hospitals occurs</p>	<p>Chenier, Rodriguez, HHS analysts</p>	<p>Ongoing, September 2024</p>
3	<p><b>Issue:</b> The state has invested in initiatives to propel clean energy, such as the Energy Transition Act, clean energy tax credits, the climate investment center, and others. It is unclear how EDD is working with stakeholders and other agencies to support the economic expansions within the clean energy sector.</p> <p><b>Objective:</b> Understand how key players in the clean energy sector collaborate. Understand EDD’s role in economic expansion within the sector and ensure collaboration with EMNRD, PRC, ED, and WSD.</p> <p><b>Objective:</b> Study other states’ clean energy offices.</p>	<p><b>Output:</b> Activity reports, potential brief, FIRs</p>	<p><b>Outcome:</b> Understand of EDD’s role in the climate energy sector, possible LFC legislation.</p>	<p>Rodriguez, Davidson</p>	<p>Ongoing, September 2024</p>
4	<p><b>Issue:</b> The Legislature passed the Energy Grid Modernization Act in 2020, which tasked EMNRD with drafting a roadmap for grid modernization. With the passing of the Energy Transition Act and more movement to create and rely on renewable energy, the state may be unprepared for the increase of movement and consumption of electricity. According to RETA, the state’s electrical transmission grid is insufficient and, as a result, could miss the opportunity to generate and export renewable energy throughout the region. While PRC regulates rates, interconnection requirement, and energy efficiency program, there are other federal and regional regulations that the state must consider.</p> <p><b>Objective:</b> Determine which utilities companies have submitted grid modernization applications with the PRC and status of projects. Understand which areas of New Mexico rely on outdated transmission and distribution systems.</p> <p><b>Objective:</b> Understand collaboration between PRC, RETA, and relevant actors to support grid modernization.</p> <p><b>Objective:</b> Understand PRC’s current work to understand the impacts of regionalization and how utilities could participate in a regional transmission</p>	<p><b>Output:</b> Meetings with RETA, PRC, and other relevant actors; LFC brief; activity reports</p>	<p><b>Outcome:</b> Understand of New Mexico’s grid system (transmission and distribution lines) and storage capacity.</p> <p>Discussion on the state’s involvement in a regional transmission organization, and the state’s next steps to increase reliability and reach of the state’s grid.</p> <p>Possible legislation for 60-day session.</p>	<p>Rodriguez, Davidson</p>	<p>Ongoing</p>

	<p>organization (RTO). Nevada and Colorado have both passed laws that require utilities to join RTOs by 2030.</p> <p><b>Objective:</b> Modernizing the grid is going to be costly and the state needs a better understanding of who is going to pay for the upgrades, maintenance, and new infrastructure.</p>				
5	<p><b>Issue:</b> A number of agencies' performance measures and targets are outdated and could be updated to reflect the agency's work more accurately.</p> <p><b>Objective:</b> Update agencies' performance measures and targets.</p>	<p><b>Output:</b> Meetings with agencies, activity reports.</p>	<p><b>Outcome:</b> Updated performance measures and targets that align with current performance and that accurately reflect the agency's work.</p>	Rodriguez	September 2024
6	<p><b>Issue:</b> The state has invested significantly in the Santa Teresa border zone through LEDA and in the border region through capital outlay funding.</p> <p><b>Objective:</b> Track capital outlay funding and expenditures in the border region (capital outlay analysts).</p> <p><b>Objective:</b> Understand borderland economic development and updates from the Santa Teresa railyard park, new jobs, existing and potential businesses, manufacturing, global trade.</p>	<p><b>Output:</b> Visit Borderplex region and relevant actors, activity report, potential brief.</p>	<p><b>Outcome:</b> Ensure capital infrastructure investments and economic related investments are being used efficiently.</p>	Rodriguez, Cally	September 2024
7	<p><b>Issue:</b> Insurance premiums have increased in New Mexico due to extreme weather events and more. In other states, insurance companies refuse to offer coverage in risky areas.</p> <p><b>Objective:</b> Understand insurance costs in New Mexico and the impact to individuals, businesses, etc.</p> <p><b>Objective:</b> Track how other states are working to keep insurance premiums low.</p>	<p><b>Output:</b> Research, activity report items, potential brief.</p>	<p><b>Outcome:</b> Possible legislation for 60-day session.</p>	Rodriguez	September 2024

# 2024 INTERIM WORK PLAN SUMMARY

## General Government (Ginger Anderson)

Ginger Anderson -Taxation and Revenue, Administrative Hearings Office, Gaming Control Board, State Racing Commission, Regulation Licensing Department, Board of Veterinary Medicine

PRIMARY ISSUES					
Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p><b>Issue:</b> TRD is showing minimal improvements in performance for audit collections. The agency has implemented a new analytics tool that appears to be contributing to modest improvements in performance, but further progress needs to be made on this measure to help address the state’s tax gap.</p> <p><b>Goals/Objective:</b> Monitor performance and progress on collectible audit assessments. Assess the performance and efficacy of analytics tool which has a baseline ROI of 13:1 (based on ACD’s budget), a goal that is climbing.</p>	<p>Reporting through quarterly report card</p> <p>Volume II</p>	<p>Improved oversight and monitoring of key performance metrics</p>	Anderson	Ongoing
2	<p><b>Issue:</b> New Mexico has a selective sunset review process, with a limited number of entities subject to periodic review. In addition, the process is somewhat ad hoc, with limited time and resources available for in-depth review of entities scheduled for sunset review. The Legislature could consider a more comprehensive sunset review process encompassing more agencies, with a more standardized, in-depth process that also considers occupational licensing regulatory issues.</p> <p><b>Goals/Objectives:</b> Develop recommendations for potential legislative and/or internal changes to sunset review. Prepare materials (questionnaires, briefings, recommendations) for 2024 Sunsets subcommittee. Support committee sponsored legislation to extend sunset dates. Document best practices and ideas on improvements for New Mexico’s sunset review process</p>	<p>Recommendations memo</p> <p>Creation/enhancement of sunset review procedures and templates</p>	<p>Improved sunset review process</p> <p>Timeline of target deadlines: statutory review, notify agencies, subcommittee schedule, committee sponsored legislation</p> <p>Recommendations to Legislature on potential sunset review changes</p>	Anderson	<p>Target date of sunset statute review: 4/26</p> <p>Notify agencies of Sunset hearing date: 5/31</p>
3	<p><b>Issue:</b> TRD collects taxes on health care premiums. It’s not certain if TRD is collecting the right amount of health insurance premiums.</p> <p><b>Goal/Objectives:</b> Find out amount of taxes paid by insurance providers.</p>	<p>Chart of findings</p> <p>Vol II</p>		Anderson	

**SECONDARY ISSUES**

<b>Rank</b>	<b>Issues/Goals &amp; Objectives</b>	<b>Output</b>	<b>Outcome/Results</b>	<b>Responsibility</b>	<b>Finish Date</b>
<b>1</b>	<p><b>Issue:</b> New legislation has legalized the recreational use and sale of cannabis, creating the need for oversight and monitoring of state agency regulatory activity and costs, tax collection, and general compliance.</p> <p><b>Goals/Objectives:</b> Oversee and report on status of cannabis sales in New Mexico. Monitor regulatory activities, as well as collections and compliance activities within TRD and RLD.</p>	<p>Activity reports</p> <p>Volume I, II</p>	<p>Increased oversight of the state’s cannabis industry, including regulatory and tax-related activities</p>	<p>Anderson</p>	<p>Ongoing</p>
<b>2</b>	<p><b>Issue:</b> Licensing impacts on business economy of New Mexico</p> <p><b>Goals/Objectives:</b> Review licensing data and outcomes for the state, with a larger objective of answering legislators’ question of why it takes so long to open a business in New Mexico. Eliminating and reducing unnecessary licensing barriers. Focus on natural resource extraction, construction/inspections, and health care. Delve into municipal timelines on permitting as necessary.</p>	<p>Design a new licensing report that encompasses the “buckets” of NM’s economy e.g.: oil and gas, healthcare, construction</p>	<p>Provides a report card-like or Money Matters style document. Me be a one-time or recurring deliverable for members</p>	<p>Anderson, in collaboration with Economists, Environment, HCA DOH and capital outlay analysts</p>	<p>Ongoing</p>
<b>3</b>	<p><b>Issue:</b> New federal regulations through the Horse Racing Integrity and Safety Act (HISA), went into effect July 2022 to bring uniformity and improved safety, transparency and efficiency to all state racing jurisdictions and require additional payments from states. SRC should continue to evaluate the potential costs of the new act over the long term and assess whether performance and safety measures improve with its passage. Additionally, state legislation for the collection of insurance for exercise rider and jockey insurance was enacted in April 2024, ushering in new revenues, \$3 million of which is now in SRC’s FY25 budget to support racetrack safety.</p> <p><b>Goals/Objective:</b> Review and assess agency performance relating to horseracing safety and efficiency following implementation of HISA. Understand and evaluate the need for funding or other supports to implement provisions of HISA in future years.</p>	<p>Activity reports</p> <p>FY26 budget recommendations</p> <p>FY26 performance measure target recommendations</p> <p>Volume I, II</p>	<p>Informed budget recommendations for FY25</p> <p>Improved safety and integrity in horseracing statewide</p> <p>Alignment of operations and federal requirements</p> <p>Improved oversight of the state’s racehorse industry</p>	<p>Anderson</p>	<p>Ongoing</p>

4	<p><b>Issue:</b> TRD’s collection and auditing of Film Tax Credits might warrant statutory change because the agency reports it does not keep audits from film company productions over \$5 million. The level of scrutiny on film industry audits for distribution of tax credits is not evident.</p> <p><b>Goal/Objectives:</b> More robust reporting requirements on audit findings and issuance of tax credits.</p>	<p>Activity reports</p> <p>Volume II</p>		Anderson	Ongoing
5	<p><b>Other work:</b></p> <ul style="list-style-type: none"> <li>• Quarterly report card reviews</li> <li>• Monthly BAR reports</li> <li>• Monitor meetings <ul style="list-style-type: none"> <li>○ (TRD Tax Policy Workgroup, boards and commissions as relevant)</li> </ul> </li> <li>• Sunset review issues</li> <li>• Economic tax policy issues</li> </ul>	<p>Activity reports and/or memos</p> <p>Reporting to Director/Deputy Director</p>		Anderson	Ongoing

## 2024 INTERIM WORK PLAN SUMMARY

### General Government (Emily Hilla)

**Emily Hilla: DFA, DoIT, Secretary of State, State Commission of Public Records**

PRIMARY ISSUES					
Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish
1	<p><b>Issue:</b> The Department of Finance (DFA)’s Local Government Division (LGD) oversees the allocation and administration of local government budgets, including capital project funds, which are not effectively tracked or monitored. Tracking of local government funds and projects is limited and there is uncertainty surrounding the oversight of local government funds, projects, and oversight of local government finances and capacities to implement newly funded programs or projects.</p> <p><b>Goal/Objective:</b> Assess local governments’ budgets, funding sources, reserves, and projects. Compile information on locale specific expenditure obligations, like IPRA costs. Track net changes to local government budgets due to policy changes and analyze historical trends.</p>	<p>Site visits</p> <p>Local Government reports</p> <p>Possible hearing, memo, or brief</p> <p>Updated Volume 1 document</p> <p>FY26 budget recommendation</p>	<p>More efficient administration of local project funding and capital outlay for local governments</p> <p>Improved reporting and understanding of local funding initiatives, finances, obligations, spending, and funding capacity.</p>	<p>Hilla</p> <p>Carswell/Ortega</p> <p>LFC Economists</p> <p>LGD</p>	Ongoing
2	<p><b>Issue:</b> DFA has improved its processes for tracking and monitoring state and federal funding, but it is unclear if tracking is up to date. Monitoring and evaluating these initiatives—such as housing, hunger, and others—can help ensure these programs have the intended impact.</p> <p><b>Goal/Objective:</b> Understand and oversee DFA’s process for managing, allocating, and overseeing nonrecurring funding, such as Section 9 of the GAA. Report progress on state, federal and other funding initiatives.</p>	<p>Review of best and existing practices for grant administration processes in NM and other states</p> <p>Activity reports</p> <p>Volume I publications</p>	<p>Accountability status report</p> <p>More efficient administration of federal funding</p> <p>Improved oversight and accountability over federal stimulus funds.</p>	<p>Hilla</p> <p>Related analysts</p>	Ongoing

3	<p><b>Issue:</b> The Medicaid Management Information System replacement (MMISR) IT project is expected to cost approximately \$400 million over several years. MMISR is associated with HHS 2020 and combines IT system modules for use by HSD, DOH, CYFD, and ALTSD.</p> <p><b>Objective:</b> Maintain federal funding for implementation of MMISR in FY26/FY27. Implement MMISR to provide more functionality, transparency and in-house data for all HHS services and programs.</p>	<p>Convene quarterly MMISR update meetings. Attend all PCC meetings. Collaborate with the HSD/HCAD and DoIT on MMISR funding needs, IV&amp;V status, timelines, and federal funding outlook.</p>	<p>Report on MMISR</p>	<p>Hilla/Chenier</p>	<p>Ongoing</p>
4	<p><b>Issue:</b> The Department of Health (DOH)'s All-Payer Claims Database (APCD) IT project aims to aggregate health care data to improve health care planning, quality, and consumer choice of the public following the Health Information Systems (HIS) Act. APCD expected a close-out in 2024 but is requesting a close-out in 2025.</p> <p><b>Objective:</b> Track APCD progress implementation. Track federal funding in FY24/FY25. Monitor system transparency and functionality.</p>	<p>Convene quarterly APCD update meetings. Attend all PCC meetings. Collaborate with DOH and DoIT on APCD OV&amp;V status, timelines, and federal funding outlook.</p>	<p>Report on APCD</p>	<p>Hilla</p>	<p>Ongoing</p>



**SECONDARY ISSUES**

<b>Rank</b>	<b>Issues/Goals &amp; Objectives</b>	<b>Output</b>	<b>Outcome/Results</b>	<b>Responsibility</b>	<b>Finish Date</b>
1	<p><b>Issue:</b> The state has 66 Information Technology (IT) projects totaling over \$1 billion, not including capital projects, and general fund spending on IT projects continues to increase. Some projects are high risk due to the complexity and overall cost. Other projects have fallen significantly behind schedule. These projects should continue to be monitored for progress and risks.</p> <p><b>Goals/Objectives:</b> Monitor, oversee and report on the status of ongoing and new IT projects. Assist DoIT in modernizing its project management office procedures.</p>	<p>Quarterly IT report cards</p> <p>Report to Science, Technology and Telecommunication Committee and Project Certification Committee</p> <p>Activity reports</p>	<p>Propose language in the GAA that could improve IT oversight, efficiency and accountability</p> <p>Informed IT funding recommendations.</p>	<p>Hilla</p> <p>Related analysts</p>	Ongoing
2	<p><b>Issue:</b> By statute, the Secretary of State (SOS) is required to reimburse counties for eligible election costs. Senate Bill 108 (SB 108) allows the SOS to request up to \$15 million for reimbursements of election costs to local governments, allowing for all election costs to come out the state election fund.</p> <p><b>Goals/Objectives:</b> Monitor election systems and understand how reimbursements are validated/approved for local governments following SB 108. Determine budgetary need in future years</p>	<p>Review election costs and budget estimates for each election type</p> <p>Memos &amp; Activity Reports</p> <p>FY26 budget recommendation</p>	<p>Informed budget recommendations;</p> <p>Improved understanding of election costs and of local government election needs/spending;</p> <p>More transparency surrounding election costs and funding.</p>	<p>Hilla</p> <p>LFC Economists</p>	Fall 2024
3	<p><b>Issue:</b> With an additional \$25 million in new money appropriated to the Office of Broadband Access and Expansion (OB AE), there are millions available for broadband projects, but monitoring is limited.</p> <p><b>Goals/Objectives:</b> Track OB AE spending on the statewide broadband project and evaluate progress on reaching statewide connectivity goals. Stay up to date on federal and state broadband assistance and other grants. Examine status of broadband and looking at middle mile</p>	<p>Add performance measures for OB AE;</p> <p>Publish quarterly IT report cards; Update the broadband progress report;</p> <p>Update uses of broadband funding;</p> <p>Attend pertinent broadband meetings;</p> <p>Monitor grant awards</p>	<p>Keep legislators and stakeholders informed on key broadband decisions and accomplishments;</p> <p>Informed IT budget recommendations;</p> <p>Accurate tracking and reporting on broadband funds and initiatives</p>	<p>Hilla</p> <p>Carswell</p>	Ongoing

4	<p><b>Issue:</b> Previous legislation created the Cybersecurity Office at the Department of Information Technology (DoIT) for FY24 and moved all cybersecurity funding and functions to that office. The establishment of that office and spending of available funds should be monitored.</p> <p><b>Goals/Objectives:</b> Monitor cybersecurity projects and continue to evaluate progress with cybersecurity needs assessments, upgrades, and project management services. Monitor new office and create recurring budget for FY26. Examine needs and best practices for cybersecurity and AI.</p>	<p>Attend and report to Science, Technology and Telecommunication Committee during the interim; Attend cybersecurity planning council meetings; Complete Volume I Policy brief; FY26 budget recommendations</p>	<p>Keep legislators and stakeholders informed on key decisions relating to cybersecurity Improved accountability and trust in IT systems, including election systems; Improved oversight of cybersecurity spending and coordination between agencies</p>	Hilla	Ongoing
5	<p><b>Other work:</b></p> <ul style="list-style-type: none"> <li>- Information technology reports &amp; funding issues</li> <li>- Monitor county jail reimbursements from DFA</li> <li>- DFA contract reporting &amp; special appropriations</li> <li>- Local government relations &amp; meeting materials</li> <li>- Elections issues</li> <li>- Monthly meetings - Board of Finance, Project Certification Committee, Connect New Mexico Council, Cybersecurity planning council</li> </ul>	<p>FY26 budget recommendations</p> <p>Activity reports/memos</p>		Hilla	Ongoing

**Isaiah Torres: State Auditor, Governor, Lt. Governor, Ethics Commission, OAAA, MLK Jr. Commission, DDPC**

PRIMARY ISSUES					
Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p><b>Issue:</b> <i>Waitlist for Guardianship Services.</i> In FY23, the Developmental Disabilities Council (DDC) experienced an increase in the number of professional guardianship cases due to the Department of Health’s (DOH) developmental disabilities wavier program. The guardianship provider pool throughout the state is small, and the number of certified professional guardians in the state is declining as well. These components have contributed to the growing waitlist for guardianship services. In the 2024 legislative session, DDC was allocated a \$200 thousand special appropriation for guardianship wait list management and was granted two additional FTE for the Office of Guardianship (OOG).</p> <p><b>Goals/Objective:</b></p> <ul style="list-style-type: none"> <li>(1) Finding solutions to reduce the average amount of time (in months) on wait list for guardianship services.</li> <li>(2) Finding solutions to reduce the number of people on the wait list for guardianship services (monthly).</li> </ul>	<p><b>Output:</b> Work with DDC to develop a plan for how they will utilize the funding. Funding is intended to be used to reduce the amount of time an individual spends on the wait list. In addition, LFC will also analyze if the additional 2 FTE will expand OOG’s capacity to provide guardianship services.</p>	<p><b>Outcome:</b> Reduce the amount of time and number of individuals on the wait list.</p>	DDC (OOG), DOH, Guardianship providers, evaluators, and Isaiah	Ongoing

2	<p><b>Issue:</b> <i>OSA's local public body initiative.</i> In the 2024 legislative session, the Office of the State Auditor (OSA) received a \$1 million special appropriation to assist small local public bodies in attaining financial compliance. In addition, OSA operating budget included an additional \$50 thousand to help local public bodies remain financially compliant to ensure that entities are able to access capital outlay awards. OSA has cited 18 public entities as "at risk" due to late audit reporting.</p> <p><b>Goals/Objective:</b></p> <ol style="list-style-type: none"> <li>(1) Monitor the impacts of new local public bodies' initiative.</li> <li>(2) Explore if codifying Executive Order 2013-006 would be beneficial for financial reporting and for capital outlay awards.</li> </ol>	<p><b>Output:</b> Routinely met with OSA staff to get updates on the number of local public bodies that have become financially compliant with the \$1 million special appropriation.</p> <p>Possible LFC sponsored legislation (Executive Order 2013-006).</p>	<p><b>Outcome:</b> Help more local public bodies access their capital outlay awards.</p> <p>Ensure that local public bodies remain in financial compliance.</p>	OSA, LPBs, Antonio, and Isaiah	October 2024
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## 2024 INTERIM WORK PLAN SUMMARY

### Transportation/Personnel (Joey Simon)

**Simon: DOT, PSIA, SGD, SPO, PERA, RHCA**

PRIMARY ISSUES					
Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p><b>Issue:</b> With the allocation of significant nonrecurring investments in transportation infrastructure the Department of Transportation (NMDOT) has the opportunity to make significant improvements to New Mexico’s roadways. Front-loading improvements to highways are a prudent use of nonrecurring resources made available by windfall revenues of oil and gas, but longer term revenue issues for the department remain, caused by shifting consumer behavior that has caused gasoline taxes, once the primary funding source for road revenues, to stagnate and begin to fall in the coming years. As this revenue source disappears, the Legislature will need to consider new ways to fund road projects in a sustainable manner.</p> <p><b>Objective:</b> Monitor how the NMDOT is using available resources and how resources are prioritized to improve road conditions. Study if additional road funding is needed and from what source annual appropriations for the department should derive.</p>	<p>Provide staff support for items on the workplan adopted by the Transportation Infrastructure Subcommittee</p> <p>Quarterly reporting on major investment projects throughout New Mexico.</p> <p>Work with NMDOT staff to identify major investment projects.</p> <p>Attend Transportation Commission meetings.</p> <p>Activity reports and policy brief</p> <p>LFC LegisStat hearings</p>	<p>Improved project oversight and transparency for road projects.</p> <p>Oversight of NMDOT reallocation of funds between different projects.</p> <p>three- to five-year roadmap for road infrastructure projects.</p>	Simon	Ongoing

2	<p><b>Issue:</b> Capital investments in state facilities have grown, allowing the Facilities Management Division (FMD) of the General Services Department to open and begin construction on new facilities and shift some state agencies from leased space to state-owned space, with significantly more square footage now controlled by FMD. Additionally, FMD is planning for construction of several new facilities, including a new executive office building in Santa Fe and a campus for health and human services agencies in Roswell. To account for increased maintenance and staffing needs at FMD, the Legislature appropriated \$1 million in building use fees to FMD, but the governor vetoed that appropriation.</p> <p><b>Objective:</b> Monitor policies and plans to use state facilities more efficiently and identify where consolidation of agencies into state-owned space will result in savings. Work with FMD to determine a revenue source for ongoing maintenance and staffing needs.</p>	<p>Attend monthly facilities meetings between state agencies and the Facilities Management Division.</p> <p>Activity reports</p> <p>Oversight Issues for Volume II Charts/graphs for Volume III</p>	<p>Increased efficiency of state space utilization.</p> <p>Improved understanding of the capital needs of state agencies.</p>	Simon/Capital Outlay	Ongoing
3	<p><b>Issue:</b> Since September 2023, staff with LFC, the Department of Finance and Administration, and the State Personnel Office have been coordinating a joint study of the state personnel, compensation, and classification system. With the study's contractor set to deliver their final report, attention will turn to implementing recommendations. Preliminary results have identified several areas of possible improvements, including the need for new technology solutions and a simplified job classification system that allows for advancement without the need to change jobs to gain higher pay. A key part of the study will look at how the rate of pay in New Mexico aligns with the broader government job market and identify areas where salaries need to be increased to improve retention and recruitment of key staff.</p> <p><b>Objective:</b> Work with DFA and SPO to determine if recommendations of the ongoing study should be implemented and analyze results of the salary benchmarking study for possible inclusion in the state's FY26 budget.</p>	<p>Conduct joint study with the Department of Finance and Administration to review effectiveness of state personnel system and recommendations for amendments to the State Personnel Act, including an analysis of the sufficiency of state compensation and benefits package and attractiveness of state employment opportunities.</p> <p>Attend Personnel Board meetings.</p> <p>Monthly headcount reports.</p> <p>Activity reports.</p> <p>Interim policy briefs.</p>	<p>Recommendation for a compensation package that balances the obligations of the state with the preferences of workers.</p> <p>Identification of high value, high turnover positions</p>	Simon	Fall 2024

4	<p><b>Issue:</b> In recent years the state has seen an uptick in the value of purchasing from statewide price agreements, exceptions to Procurement Code rules requiring contracts with a value of more than \$60 thousand to be put to competitive bid. Notably, there has been an uptick in the number of contractual services purchased through price agreements, traditionally a method for purchasing tangible goods such as cars, computers, or office supplies. While price agreements have the potential to lead to discounts through bulk purchasing, previous LFC program evaluations have noted price agreements can actually lead to higher costs if agencies do not comparison shop for the best deal—the State Auditor has noted current law does not require agencies to select the lowest price from the options available on a price agreement.</p> <p><b>Objective:</b> Monitor changes to how the state purchases goods and services and benchmark New Mexico purchasing rules to other states to maximize the value of taxpayer dollars when purchasing goods and services.</p>	<p>Possible committee-endorsed legislation.</p> <p>Interim policy brief.</p> <p>Activity Report.</p>	<p>Improved recommendations and analysis of state agency spending and budget requests.</p> <p>Possible committee-endorsed legislation.</p>	Simon	Fall 2024
5	<p><b>Issue:</b> Both the Risk Management Division of the General Services Department (RMD) and the Public School Insurance Authority (NMPSIA) have seen a rise in claims and reinsurance costs for property and liability insurance, leading to increased demand for appropriations from state agencies and public schools. Recently, the Legislature allocated a one-time appropriation of \$20 million to backfill large losses in the public liability fund and NMPSIA passed along a 32 percent rate increase to public schools, larger than the 9.5 percent included in the public school support budget. For state risk management, a recent LFC program evaluation pointed to several recommendations the Legislature should consider to improve RMD rate setting and provide stable funding for the program into the future.</p> <p><b>Objective:</b> Monitor revenue into risk management funds and the frequency and severity of claims to inform the rate setting process. Monitor which agencies are seeing claims rise most significantly to identify where operations may need to be improved.</p>	<p>Quarterly performance report updates</p> <p>Activity reports.</p> <p>Interim policy briefs.</p>	<p>Recommendation for state agency rates that ensures the department has sufficient funds to pay claims.</p> <p>Possible committee-endorsed legislation.</p>	Simon	Fall 2024

**SECONDARY ISSUES**

<b>1</b>	Recently approved payroll contribution increases have been forecast to improve the health of the state’s pension systems but proposals to change the plans’ return-to-work policies could compromise those gains if not carefully managed to ensure employees are not incentivized to retire early. Additionally, some have suggested the state consider alternative retirement programs, such as a hybrid defined benefit-defined contribution plan.	Policy analysis on proposals that could significantly impact state finances.  Investment performance and funding status updates	Better program understanding and more informed budget recommendations.  Activity reports	Simon	Ongoing
<b>2</b>	A recent executive order requires state agencies to shift their vehicle fleet, with some exception, to zero-emission vehicles, with a full transition to such vehicles by 2035. With the shift will come significant financial and logistical challenges for the Transportation Services Division of the General Services Department, who is responsible for purchasing and leasing most state vehicles, and for the Department of Transportation, which manages its own fleet of vehicles with a statewide footprint.	Develop updated performance metrics for the General Services Department and Department of Transportation in alignment with new purchasing standards.  Quarterly performance report updates	Better program understanding and more informed budget recommendations.  Activity reports	Simon	Ongoing
<b>3</b>	Updated master planning is needed for Santa Fe state government campuses to account for potential construction of an executive office building, to reduce leased space, and given a shift of work to Albuquerque offices. To identify future occupants of an executive office building and prioritize assignment of existing state-owned space.	Activity reports, hearing briefs.  Quarterly performance report updates  Budget recommendations.	Clarity on plans for the executive office building and its ripple effects on office space in Santa Fe.  Analysis of space needs for state agencies in other cities.	Carswell, Simon	December 2024
<b>4</b>	Monitor effectiveness of enterprise services: <ul style="list-style-type: none"> <li>• State fleet operations,</li> <li>• Surplus property sales,</li> <li>• State printing and graphics services.</li> </ul>	Identify policies and practices that may negatively impact operations.  Monitor operating revenues and expense from enterprise operations.	Better program understanding and more informed budget recommendations.  Activity reports	Simon	Ongoing
<b>5</b>	Traditionally, transit systems have been primarily funded and overseen by local governments throughout New Mexico. While the Department of Transportation acts as a flow-through entity for federal grant programs, it is unclear what role the department should play in assisting communities with transit options.	Activity reports, hearing briefs.  Quarterly performance report updates	Updated performance evaluation on the Rail Runner.	Simon	Ongoing



6	Attend meeting of relevant agency boards, commissions, and task forces: <ol style="list-style-type: none"> <li>1. Transportation Commission</li> <li>2. Personnel Board</li> <li>3. Public Employees Retirement Association</li> <li>4. Educational Retirement Board</li> <li>5. Retiree Health Care Authority</li> <li>6. Interagency Benefits Advisory Council</li> <li>7. Risk Management Advisory Board</li> <li>8. Interagency Pharmaceuticals Purchasing Council</li> <li>9. Public Employees Labor Relations Board.</li> </ol>	Ongoing updates	Better program understanding and more informed budget recommendations.  Activity reports	Simon	Ongoing
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## 2024 INTERIM WORK PLAN SUMMARY

### Revenue (Economists)

**Ismael Torres, Jennifer Faubion, Brendon Gray: Revenue**

PRIMARY ISSUES					
Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	Over time and especially in recent years, the Legislature has created many non-general fund state funds and earmarks to serve specific purposes, such as to convert one-time money into recurring revenues, appropriate for specific uses, or divert revenue for programs or revenue stabilization. A full accounting of these non-general fund trust funds, permanent funds, revenue distributions, and earmarks is needed to understand where state revenues are flowing, how they are being used, and determine best-practices and recommendations for revenues statewide.	Hearing, brief, or memo  Possible LFC sponsored legislation  Possible publications or presentations in national forums	Informed legislators, staff, public, and budget recommendations	LFC economists (Faubion lead), with information provided by analysts	Interim 2024
2	Conduct a revenue volatility analysis with updates to the 2019 LFC study with new legislation affecting general fund revenues. Identify the new top sources of volatility and develop recommendations for managing volatility and supporting long-term revenue stability. Evaluate the success of volatility addressing policies implemented by the Legislature over five years.	Hearing or brief, publication to website  Possible LFC Sponsored Legislation	Informed legislators, staff, public, and budget recommendations	LFC economists (Torres lead)	Interim 2024
3	Study the opportunity costs and conduct a cost-benefit analysis for using debt vs general fund for capital outlay projects. Identify opportunities to improve the state's bond ratings, minimize costs, optimize leverage, and reduce volatility from debt-supported revenues. Study setbacks impacts on capital and general fund revenues and the impacts of advanced market commitments.	Hearing or brief  Possible LFC sponsored legislation	Informed legislators, staff, public, and budget recommendations	LFC economists (Gray and Torres lead) working with capital outlay analysts and Board of Finance and	Interim 2024
4	As a tax revenue that primarily affects local governments, property taxes are often overlooked at the state level. While not currently in the state tax makeup, a study of mill levies, property valuation trends, transfer taxes, and opportunities for reform is needed to evaluate quality of life considerations, state competitiveness, and revenue sustainability at the state and local level.	Hearing, brief, or memo	Informed legislators, staff, and public	LFC economists (Faubion lead)	Interim 2024

5	Conduct an analysis of New Mexico business makeup, economic diversity, and industry clusters. Map current investments and priorities. Inform the Legislature on ways to leverage the state's economic strengths to facilitate job creation and economic growth.	Hearing, brief, or committee materials	Informed legislators, staff, and public	LFC economists (Gray lead), LFC policy analysts	Interim 2024
6	Research the fiscal and policy implications of a baby bonds program in New Mexico. Study the potential impacts in reducing poverty, retaining young New Mexicans, and potential benefits to the local economy.	Hearing, brief, or memo	Informed legislators, staff, and public	LFC economists (Torres lead), analysts	Interim 2024
7	Formalize oversight and reporting of investment performance across agencies and accounts. Restructure and redevelop the quarterly investment report to include the State Treasurer's investments and make the document easier to understand and interpret.	Report card, LFC/IPOC hearing	Informed legislators, staff, and public	LFC economists (Gray lead) collaborating with investment agencies	September 2024
8	Excise taxation has been a topic of increased legislative interest. Work with TRD and RLD on production, demand, revenue estimates, and reporting of revenues. Research and analyze the effects of excise taxes on finance and other health, behavioral, and economic impacts. Develop tax policy recommendations and new consensus revenue estimating frameworks.	Memo, forecast models, briefs, hearing topics	Informed legislators, staff, and public	LFC economists (Gray lead), TRD economists, LFC health policy analysts, RLD staff	Interim 2024
9	Economists can assist analysts in forecasting in a variety of key policy areas like Medicaid enrollment, correctional populations, labor demand and compensation, school enrollment, among others. Greater collaboration between economists and analysts will improve outcomes, help produce better analysis, and offer new professional development opportunities.	Research materials, FIR material, staff training	Informed staff and improved policy analysis	LFC economists (Faubion lead), LFC policy analysts	Interim 2024

10	Formalize and improve short-term and long-term forecasts with the Consensus Revenue Estimating Group by developing granularity of estimates, including budget forecasting, and considering the impact of tax expenditures in the long run. Develop planning and recommendations relevant to the long-term forecast. Long-term planning is a nationally recognized best practice for state fiscal planning.	Hearing and brief Possible LFC sponsored legislation Possible publications or presentations in national forums	Long-term fiscal stability and planning, informed legislators, staff, and public	LFC economists (Faubion lead), TRD economists, DFA economists, other tax policy experts	September 2024, December 2024
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**SECONDARY ISSUES**

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Continue to work with TRD on personal income tax and corporate income tax reporting, especially regarding the disaggregation of data for forecasting and analytical purposes.</p> <p>Improve the accuracy of existing revenue forecasting models. Update databases used for fiscal impact reports and revenue forecasting models. Update all models to reflect 2024 legislative session and better capture inflation and wage increases. Update state investment models to reflect increasing interest rate environment and oil revenue contributions. Transfer forecasts to Forecast Pro. Evaluate the revenue forecasting error by statistical issue versus underlying economic forecasting error from BBER and S&amp;P Global.</p> <p>Explore creating more accessible and dynamic resources for legislators and the public, including interactive revenue forecasts and tracking platforms using Tableau or other similar software.</p>	Improved LFC revenue models and tracking	Reduced forecasting error, improved confidence in revenue forecasts and fiscal impact report estimates, improved oil and gas impact forecasting for gross receipts and income taxes, improved FIR analyses	LFC economists, TRD economists, DFA economists	Interim
2	Cross-training the economists in all policy and revenue areas of expertise is crucial for a well-balanced, resilient, and adaptable team. The economists will train each other in all areas throughout the interim, ensuring at least basic understanding and knowledge across the spectrum. Primary responsibilities and ownership over these subject areas will rotate each year until all economists have a mastery over the entire suite.	<p>Informal trainings between economists</p> <p>Possible lunchtime learning sessions for full LFC staff</p>	<p>A resilient and adaptable economist team</p> <p>Improved collaboration, understanding, and coverage within and between economists</p>	LFC economists	Interim

3	As the Legislature considers increasingly complex changes to property taxes and different approaches to capital outlay, LFC economists will work with the Board of Finance, the DFA Local Government Division, LFC capital outlay analysts and the TRD Property Tax Division to develop state bonding models.	Forecast models, FIR analysis, memos	Informed legislators, staff, and public	LFC economists, LFC analysts, TRD, DFA	Interim
4	Evaluate effects of federal and state policies on New Mexico production, including long-term production potential, break-even points, and revenue impacts. Work with LFC staff, relevant state agencies, and industry experts to develop up-to-date timelines on New Mexico's peak oil production horizon, rig count estimates and break-even analysis, and short- and long-term demand and revenue forecasts.	Hearing, brief, research materials	Informed legislators, staff, and public	LFC economists, LFC analysts, Relevant Experts, State Agencies	Interim
5	During the last three legislative sessions, the Legislature considered adopting statewide paid family and medical leave policies, including a state-run program and fund to pay for paid family and medical leave for New Mexico workers. Continue to monitor research on the costs, impacts, and benefits of statewide PFML programs and legislative movement in this space nationwide.	Possible brief, research materials, FIR material	Informed legislators, staff, and public	LFC economists, LFC analysts	
6	The LFC economist manual needs continual refreshing to improve instructional guides. Update the resource library, improve summaries of essential economist functions and procedures, and update instructional guides for existing forecast models. Add methodology, variable documentation, and quarterly error rates to the manual.	An updated LFC economist manual A centralized repository of LFC forecasting models	An improved resource library and guidance for current future economists	LFC economists	Interim
7	Continuing education in advanced modeling techniques, statistical analysis, machine learning for economics, and national tax policy trends through education courses and industry conferences.	Activity report items	Improve revenue forecast results	LFC economists	Interim
8	Create and publish taxable base calculations for each forecast by revenue line item to improve tax transparency and member understanding of relative revenue size and tax impacts.	Forecast publications	Informed legislators, staff, and public	LFC economists	August 2024, December 2024

	Study revenue growth opportunities for the road fund, including changing the motor vehicle excise tax rate and structure and bringing electric vehicles into the tax base.	Hearing, brief, or memo FIR materials	Informed legislators, staff, and public	LFC economists, analysts	Interim 2024
<b>10</b>	Evaluate interstate PIT and CIT tax implications of remote work in New Mexico, for workers who live in the state and work outside the state and vice-versa. Study the economic impact of remote workers in the state. Develop policy recommendations to maximize state revenue and leverage remote work for the greatest economic impact.	Hearing, brief, or memo	Informed legislators, staff, and public	LFC economists, analysts	Interim 2024

## 2024 INTERIM WORK PLAN SUMMARY

### Capital Outlay

Analyst name and agency: Cally Carswell, Antonio Ortega, Rhea Serna

#### PRIMARY ISSUES

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p><b>Issue:</b> Outstanding capital outlay funds totaled \$4.7 billion as of January 2024. Balances and project backlogs are likely to grow due to nearly \$2 billion in new general fund, STB, GOB and earmark appropriations, limited agency and local capacity to manage thousands of authorized projects, rising construction costs, and labor limitations. Issues slowing down progress are more quickly recognized and addressed through regular tracking and reporting.</p> <p><b>Goal:</b> Identify common sources of project delays, assess agency and local capacity and project management efficacy, provide members with regular and informative reporting on project progress and implications for 2025 appropriations.</p>	<p><b>Output:</b> Quarterly capital outlay reports; subcommittee briefs and hearings.</p> <p>In-depth project and issue reviews, including reporting on new grant initiatives.</p> <p>Recommended vetting criteria for local projects.</p>	<p><b>Outcome:</b> Project oversight resulting in timely expenditure of funds.</p> <p>Understanding among legislators of factors that contribute to project success.</p> <p>Budget and policy recommendations to address capacity issues and other sources of delay.</p>	Carswell, Ortega, Serna, analysts	Ongoing
2	<p><b>Issue:</b> Demand for capital outlay exceeds available funds, even with surging revenues.</p> <p><b>Objective:</b> Provide the Legislature with informative analysis on capital requests and budget recommendations for state agencies and higher education that prioritize need and readiness.</p>	<p><b>Output:</b> Capital outlay budget recommendations for state agencies and higher education.</p> <p>Capital outlay subcommittee briefs and hearings.</p> <p>Trainings for various audiences on prioritizing capital requests and appropriations.</p>	<p><b>Outcome:</b> Capital outlay appropriation bills that effectively balance need, capacity to expend funds and complete projects, readiness, and potential benefits with available funding.</p> <p>Implement earlier deadline and voluntary vetting system for local capital outlay requests.</p>	Carswell, Ortega, Serna, analysts	March 2025

3	<p><b>Issue:</b> New Mexico’s capital outlay process is inefficient and carries an unnecessarily high risk that projects to which funds are appropriated will not be completed and will not produce public benefits. Efforts to establish a more centralized and coordinated approach to planning, funding, and managing capital projects have only recently gained traction. As a result, the state has substantial catch-up work to do to fully take advantage of unprecedented levels of state and federal funding available for infrastructure. Additionally, local governments remain reluctant to contribute local revenue to projects or to take on debt, compromising project completion.</p> <p><b>Goal:</b> To efficiently complete projects, increase the community benefits resulting from capital spending, and improve the state’s ability to leverage federal dollars available for a limited time.</p>	<p><b>Output:</b> Capital outlay subcommittee briefs and hearings; project and capital program evaluations.</p> <p>Snapshots of local gov’t finances and capital projects for LFC meeting locales.</p> <p>Ongoing meetings with DFA and activity reports about infrastructure division startup and next priorities.</p> <p>Policy &amp; budget recommendations for the 2025 Legislature.</p>	<p><b>Outcome:</b> Capital outlay spending that results in tangible improvements in the state’s communities and does so in an efficient manner.</p> <p>Capital appropriations that more effectively leverage other funding sources.</p> <p>DFA infrastructure division implementation consistent with legislative priorities.</p>	Carswell, Ortega, Serna, Hilla, economists	Ongoing
4	<p><b>Issue:</b> Funding available to higher education institutions for building repairs and demolition is inconsistent and inadequate, according to the institutions. Many institutions bundle small repairs into capital outlay requests that are difficult to prioritize at a statewide level.</p> <p><b>Goal:</b> Develop an approach to funding BR&amp;R and demolition informed by analysis of the outstanding need and available funding sources.</p>	<p><b>Output:</b> Vol III tables on BR&amp;R need by institution. Analysis of HEI BR&amp;R spending relative to accepted benchmarks.</p> <p>Budget recommendations for BR&amp;R and demolition.</p>	<p><b>Outcome:</b> Reduce BR&amp;R and demolition backlogs at higher education institutions and more clearly define the state’s role in funding such projects.</p>	Carswell, Jorgensen	December



5	<p><b>Issue:</b> The Legislature’s ability to vet local capital outlay requests, set capital funding priorities as a body, and coordinate appropriations is limited by the short time between legislators’ receipt of requests and funding deadlines.</p> <p><b>Goal:</b> Implement an earlier deadline for local requests and train new legislative staff to support legislators in reviewing requests and in recommended vetting practices.</p>	<p><b>Output:</b> Hearing materials for Legislative Council and LFC.</p> <p>Improved quarterly sponsor reports and materials.</p> <p>Training manual for legislative staff.</p>	<p><b>Outcome:</b> Increased vetting of local requests, fewer over- and under-funded projects, increased capacity to implement recommended appropriations strategies, reduced backlog of capital projects.</p>	Carswell, Ortega	Ongoing
6	<p><b>Issue:</b> The Legislature exercises limited oversight of reauthorization requests and puts few limits on reauthorizations. The number of reauthorized projects doubled in 2023 over the previous year, likely reflecting the fact that projects due to revert were impacted by COVID-related delays. Forty-one state agency and higher education projects were reauthorized in 2023, with balances totaling approximately \$65 million. Though these projects were originally part of the statewide capital framework, LFC committee members and staff historically have not reviewed or approved the requests before inclusion in the bill. With current revenue surpluses, the Legislature may continue to fund capital projects with general fund. Future reauthorizations will therefore have a general fund impact, meriting increased scrutiny.</p> <p><b>Goal:</b> Increase legislative oversight of reauthorization requests with staff support, particularly for state agency and higher education projects.</p>	<p><b>Output:</b> Activity reports, analysis in hearing briefs/quarterly reports.</p> <p>Recommended reauthorization guidelines for state agencies and higher education.</p>	<p><b>Outcome:</b> Establish a precedent of legislative oversight of state agency and higher education reauthorization requests and scrutinize future general fund impacts.</p>	Carswell, Ortega, Serna	March 2025
<b>SECONDARY ISSUES</b>					
7	<p><b>Issue:</b> Construction costs have risen dramatically in a short period of time, particularly in rural areas and certain regions of the state.</p> <p><b>Goal:</b> Track changes in construction costs across agencies and project and provide regular reporting on cost and market trends to provide funding agencies and the Legislature with benchmarks to evaluate new requests against.</p>	<p><b>Output:</b> Consistent cost reporting in quarterly reports.</p>	<p><b>Outcome:</b> Provide funding agencies and the Legislature with cost benchmarks.</p>	Carswell, evaluators	May, ongoing

8	<p><b>Issue:</b> Capital outlay could facilitate public infrastructure development to support quality life improvements and key sectors identified in the state’s economic development plan, but the state lacks a strategic plan for such investments.</p> <p><b>Goal:</b> To identify infrastructure investments needed in particular areas of the state to support targeted sectors and quality of life improvements.</p>	<p><b>Output:</b> Activity reports and hearing briefs.</p> <p>Volume I narratives.</p> <p>Nonrecurring and capital budget recommendations; local appropriations guidelines.</p>	<p><b>Outcome:</b> Strategic state and local capital appropriations to support economic development.</p>	Carswell, Serna, Rodriguez	December
9	<p><b>Issue:</b> Though counties are constitutionally required to provide adequate facilities for district courts, many lack the financial means to replace aging courthouses. Additionally, district courts often make requests through the state capital outlay process for renovations and repairs. HB505 and HB2 appropriated \$23 million for cost-sharing for both renovation and replacement of district courts. AOC will establish criteria for prioritizing and distributing the funds and there is likely to be ongoing demand for additional appropriations for this purpose.</p> <p><b>Goal:</b> Establish clear adequacy standards for district court facilities.</p>	<p><b>Output:</b> Activity reports and project spotlight reports.</p> <p>Volume I and II narratives.</p> <p>Nonrecurring and capital budget recommendations.</p>	<p><b>Outcome:</b> Equitable cost-sharing for district court improvements.</p> <p>Clarity and consistency about the state’s role in funding district court improvements.</p>	Carswell, AOC analyst	December
10	<p><b>Issue:</b> The state provides substantial support for local road projects through the local government road fund, transportation project fund, and capital outlay. While funding awarded through the road fund and project fund moves relatively quickly, capital outlay for roads does not.</p> <p><b>Goal:</b> Evaluate the need for, performance and outcomes of the various funding programs and opportunities for improvement.</p>	<p><b>Output:</b> Activity report and project spotlight report.</p> <p>Local capital outlay guidelines.</p> <p>Nonrecurring budget recommendations.</p>	<p><b>Outcome:</b> Increased legislative understanding of funding programs for local roads.</p> <p>Improved performance of capital outlay for roads.</p>	Carswell, Simon, Serna	December

11	<p><b>Issue:</b> Updated master planning is needed for Santa Fe state government campuses to account for potential construction of an executive office building, to reduce leased space, and given a shift of work to Albuquerque offices.</p> <p><b>Goal:</b> <b>Issue:</b> To identify future occupants of an executive office building and prioritize assignment of existing state-owned space.</p>	<p><b>Output:</b> Activity reports, hearing briefs.</p> <p>Budget recommendations.</p>	<p><b>Outcome:</b> Clarity on plans for the executive office building and its ripple effects.</p>	Carswell, Simon	December
12	<p><b>Issue:</b> Local capacity limitations compromise the success of capital projects, and many small communities have few options for building capacity in the short- and long-term.</p> <p><b>Goal:</b> Develop strategies for addressing local capacity.</p>	<p><b>Output:</b> Analysis of what's working among current efforts by COGs and TA providers, and evaluation of special appropriations for capacity building.</p> <p>Budget recommendations.</p>	<p><b>Outcome:</b> Funding to develop promising models for building capacity at a regional level.</p>	Carswell, Serna	December
13	<p><b>Issue:</b> The state provides significant financial support for capital projects at senior centers but lacks consistent standards for facility adequacy or local cost sharing. Additionally, it is unclear the extent to which capital investments in these facilities further statewide programmatic or service goals.</p> <p><b>Goal:</b> Increase legislative oversight of the capital outlay process for senior centers. Create standards for facility adequacy, cost sharing, and provide the Legislature with more certainty that capital investments in senior centers further statewide programmatic goals.</p>	<p><b>Output:</b> Site visits, activity reports, project spotlight report.</p> <p>Analysis on senior center capital outlay in subcommittee / LFC hearing briefs or quarterly reports.</p> <p>Budget recommendations that reflect legislative priorities for senior centers.</p>	<p><b>Outcome:</b> Capital investments in senior centers that are consistent with objective standards for facility adequacy and that support statewide programmatic goals.</p>	Carswell, Serna, Klundt	December

14	<p><b>Issue:</b> NMCD’s classification system is insufficient to meet current needs and the agency is currently in the process of reevaluating and redesigning the system and made some changes in June 2021. Facility capacity and design should be right-sized to meet the needs of a new classification system, the <i>Duran</i> settlement agreement, and declining prison populations. The agency rescinded plans to close Springer Correctional Center and took over operations of two private prisons in November 2021, despite significant excess capacity in the prison system.</p> <p><b>Goal:</b> Monitor NMCD’s continuing efforts to revamp its classification system and the impact of classification and other changes on facility needs. Evaluate the use of prison facilities that are not owned by the state.</p>	<p><b>Output:</b> Site visits, activity reports</p> <p>Budget narratives and recommendations</p>	<p>Improved FY25 operating and capital budget recommendations</p>	<p>Sanchez, Carswell</p>	<p>Ongoing</p>
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**Helen Gaussoin: Communications**

PRIMARY ISSUES					
Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p><b>Issue:</b> LFC staff does important work that influences legislation and management of state agencies, but key to ensuring staff’s information and analysis reach policymakers, managers, and the public is making easily digestible reports that are readily available.</p> <p><b>Goal:</b> Continue to improve the accessibility of existing reports—in content, formatting, and availability—and create new reports that help the public, media, and members understand the budget process.</p>	<p>Update Finance Facts that are three years old and older; expand topics.</p> <p>Continually check functionality of website and correct as needed.</p> <p>Update templates for publications and create template for LFC health and human services</p>	<p>Improved public access to and understanding of government policy and LFC work.</p> <p>More reader friendly publications that are easier for staff to use.</p> <p>Greater public understanding of</p>	Gaussoin/other staff	<p>Finance Facts updates by end of July</p> <p>New HHS template by end of March, other templates throughout interim</p>
2	<p><b>Issue:</b> LFC’s ability to communicate is only as good as the communications skills of its staff.</p> <p><b>Goal:</b> Continue to improve the quality of writing in reports and consistency in tone and style.</p>	<p>Training</p> <p>Editing</p>	<p>Staff with a better understanding of narrative structure, grammar, and LFC style</p> <p>Edit evaluation and budget analyst publications on request</p>	Gaussoin/Carswell	Throughout interim

3	<p><b>Issue:</b> Purpose statements and performance measures from state agencies are plagued with insubstantial errors that must be repeatedly fixed through the budget development and drafting process.</p> <p><b>Goal:</b> To fix the issues early so the problems are resolved before they become part of Volume 2 and the General Appropriation Act.</p>	Fix minor issues in collaboration with DFA.	Clean purpose statements and measures in BFM.	Gaussoin /Jeannae	End of May
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**Proposed Program Evaluation Work Plan - April 2024  
PROJECTS FOR PROGRAM EVALUATION UNIT**

<b>PART I: PROGRAM EVALUATION PROJECTS</b>					
<b>A. Current Priority</b>			<b>Staff and Due Date</b>		
Agency Code	Agency Name	Project Descriptions	Lead Evaluator	Evaluation Staff	Due/Hearing Date
770	NMCD	Program Evaluation of Corrections Reentry and Supervision Programming	Ryan Tolman	Kathleen Gygi & John Valdez	August-24
950	HED and IHEs	Program Evaluation: Impacts of Higher Education Certificates and Workforce Credentials	Sarah Rovang	Sam Lesemann	September-24
<b>B. Next Priority</b>					
Multiple	Multiple	Capital Update: State-Funded Water Projects	Clayton Lobaugh	Rhea Serna	August-24

<b>PART II: PROGRESS REPORTS AND OTHER PROJECTS</b>					
<b>A. Current Priority</b>			<b>Staff and Due Date</b>		
Agency Code	Agency Name	Project Descriptions	Lead Evaluator	Evaluator/ Analyst	Report Date
924	PED and Districts	Policy Spotlight: Student Attendance and Performance	Sarah Dinces	John Valdez	June-24
Multiple	Multiple	Policy Spotlight: Review of Select Capital Investments for Community Quality of Life Projects	Kathleen Gygi	Cally Carswell	May-24
Multiple	Multiple	SB58 Program Inventories - Agency Training and Inventory Analysis	Sarah Dinces	Ryan Tolman	ongoing

<b>PART III: Program Evaluation Parking Lot</b>					
Agency Code	Agency Name	Project Descriptions			
370	SOS	Evaluation of the Process of Starting a Business in NM			
521, 667	EMNRD and NMED	Program Evaluation: Environmental Permitting			
521	EMNRD	State's Role in Fire Preparation and Response			
603 and 605	OAAA and MLK Jr. Comm.	Review of Operations at the Office of African American Affairs and the Martin Luther King Jr. Commission			
624	ALTSD	Progress Report: Funding and Performance of the Aging Network			
665	DOH	Developmental Disabilities and Mi Via Waivers			
665	DOH	Progress Report: DOH facilities			
790 and 805	DPS and DOT	Program Evaluations on Motor Vehicle and Pedestrian Fatalities			
805	DOT	State Support of Local Transportation Projects			
795	DHSEM	Review of Operations at the Department of Homeland Security and Emergency Management			
924	PED and Districts	Review of Below-the-Line Appropriations			
924	PED and Districts	Review of Family Income Index Expenditures by Districts			
924	Districts	South Central School District Evaluations: Los Lunas, Socorro, and Belen			
950 and 924	HEIs and PED	Teacher Preparation, Pipeline, and Outcomes			
950	IHEs	Higher Education Evaluation: Comprehensive Universities			
950	IHEs	Policy Spotlight: Social Work and Health Care Workforce			



Month	Location	Topics	Research Questions/ Outcomes	Responsible
June	Sub-committee	<b>Child Welfare 101 and SM5 Update</b>	<u>Child Welfare System and SM5 Update</u> 1. How is New Mexico's child welfare system organized and funded, and how has this changed over time? 2. How is the system currently performing? (Data about trends related to child maltreatment and well-being) 3. What are national best practices regarding child welfare systems? 4. Senate Memorial 5 Update	Garcia, Eckberg
		<b>LegisStat: Performance Challenges</b>	<u>LegisStat: Performance Metrics and Challenges</u> 1. Child maltreatment and repeat child maltreatment- how is the state implementing prevention and early intervention efforts to reduce child maltreatment? 2. Protective Services workforce: number of social workers, vacancy rates, and turnover- how is the state recruiting and retaining a professional child welfare workforce? 3. Count of resource families, treatment foster care providers, and percent of youth in least-restrictive placement- how is the state recruiting and retaining foster care and treatment foster care providers to place youth in the least restrictive environment?	Garcia, Eckberg, agency staff
		<b>Reducing Child Maltreatment- Prevention and Early Intervention</b>	<u>Prevention and Early Intervention</u> 1. What does national research suggest about evidence-based approaches to prevent and intervene early in child maltreatment? 2. What is the current state of prevention and early intervention programs in New Mexico, including availability and utilization of services? 3. What revenue sources are available to support prevention and early intervention, and what are best practices for implementation? (Title IV-E) 4. What is the current status of differential response implementation in New Mexico, and how does implementation compare to best practices? 5. What does research suggest about the priorities, outcomes, and organization of child welfare system transformation?	Garcia, Invite Annie E. Casey Foundation
July	Full LFC	<b>Behavioral Health Access</b>	1. What services are being utilized and where, for both children and adults? 2. Where do service gaps exist, for both children and adults? 3. What are evidence-based or national best practices to address needs and gaps? 4. Where has New Mexico made investments, and what have been the results? 5. Senate Memorial 5 Update	Chenier, Esquibel, Garcia, Eckberg, Hernandez



Sept.	Sub-committee	<b>LegisStat: Performance Challenges</b>	<u>LegisStat Metrics and Performance Challenges:</u> 1.Child maltreatment and repeat child maltreatment- how is the state implementing prevention and early intervention efforts to reduce child maltreatment? 2.Protective Services workforce: number of social workers, vacancy rates, and turnover- how is the state recruiting and retaining a professional child welfare workforce? 3.Count of resource families, treatment foster care providers, and percent of youth in least-restrictive placement-how is the state recruiting and retaining foster care and treatment foster care providers to place youth in the least restrictive environment?	Garcia, Eckberg, agency staff
		<b>Child Welfare Workforce</b>	<u>Child Welfare System Workforce:</u> 1. What is the current status of the state's child welfare workforce? 2. How has New Mexico attempted to improve and professionalize the workforce, and what have been the results? 3. What are the national best practices associated with child welfare workforce development, recruitment, and retention? 4. Share Senate Memorial 5 Taskforce and GRO appropriation updates and metrics	Garcia, Eckberg, invite NM Schools of Social Work
		<b>System Oversight and Accountability and SM5 Updates</b>	<u>Child Welfare Oversight and Accountability:</u> 1.How do other states structure oversight and accountability of the state's child welfare agency, and what are the outcomes? 2.How do other child welfare systems share and report information about the child welfare system? (Ex. Child deaths, case reviews, etc.). 3. How much does risk cost the state currently, and how might processes be improved? (Risk management and litigation costs)	Garcia, Eckberg, invite NCSL
Nov.	Full LFC	<b>SM 5 Recs.</b>	Summary of task force recommendations	Garcia, Eckberg
Dec.	Full LFC	<b>CYFD Budget Hearing and LegisStat</b>	<u>LegisStat Metrics and Performance Challenges:</u> 1.Child maltreatment and repeat child maltreatment 2.Protective Services workforce: number of social workers, vacancy rates, and turnover 3.Count of resource families, treatment foster care providers, and percent of youth in least-restrictive placement  CYFD agency budget presentation and request	Garcia, Eckberg

## 2024 LFC Hearings Strategic Water Reserve Oil and Gas Setbacks

Month	Location	Topics	Agenda	Responsible
June	Grants/Gallup	Strategic Water Supply	<u>Strategic Water Supply overview</u> -Update by New Mexico Department of Environment Secretary Kenney -Overview of Strategic Water Supply and noteworthy Request for Information applications -Staff Briefing: Current economic landscape of produced water reclamation and use -Brackish water aquifer use and rehabilitation	Carswell, Davidson
		Oil and Gas Setbacks	<u>Current state of Oil and Gas regulation, impact of setbacks</u> -Update by Energy, Minerals, and Natural Resources Department Deputy Secretary Dylan Fuge -Oil and Gas regulation, current oil production projections, overview of proposed setbacks -Staff Briefing on the fiscal, environmental, and health impacts of setbacks	Davidson, Torres
Sept.	Tamaya	New Mexico Water Infrastructure	<u>Current state of Middle and Rio Grande water projects:</u> -Update by Interstate Stream Commission Director Hannah Riseley-White and State Engineer Mike Hamman -Staff briefing on ongoing water projects and areas of investment priority for Legislature	Carswell, Davidson
		Oil and Gas Setbacks	<u>Regulatory Capacity and Impact:</u> -Staff Briefing on: -New Mexico's oil and gas regulatory capacity and structure compared to other comparable oil and gas producing states -The impact setbacks could have on oil and gas permit timelines -The impact on the industry and New Mexico's general fund	Davidson, Torres

**LegisStat Agencies**

<b>May/Sept/Dec</b>	<b>Medicaid</b>	Behavioral Health	<ol style="list-style-type: none"> <li>1. What are the next steps?</li> <li>2. How to expand services?</li> <li>3. Is there a plan from the department?</li> </ol>	LegisStat Hearing brief and presentation	Eric, RubyAnn
<b>June (Sub-Committee)</b>	<b>Child Welfare</b>	Child Welfare Current Status	<ol style="list-style-type: none"> <li>1. Child maltreatment and repeat child maltreatment- how is the state implementing prevention and early intervention efforts to reduce child maltreatment?</li> <li>2. Protective Services workforce: number of social workers, vacancy rates, and turnover- how is the state recruiting and retaining a professional child welfare workforce?</li> <li>3. Count of resource families, treatment foster care providers, and percent of youth in least-restrictive placement- how is the state recruiting and retaining foster care and treatment foster care providers to place youth in the least restrictive environment?</li> </ol>	LegisStat Hearing and potential panel of national experts related to prevention and early intervention (CO Differential Response or Annie E. Casey)	Rachel and Nathan
<b>September (Sub-Committee)</b>	<b>Child Welfare</b>	Child Welfare Performance Challenges	<ol style="list-style-type: none"> <li>1. Child maltreatment and repeat child maltreatment- how is the state implementing prevention and early intervention efforts to reduce child maltreatment?</li> <li>2. Protective Services workforce: number of social workers, vacancy rates, and turnover- how is the state recruiting and retaining a professional child welfare workforce?</li> <li>3. Count of resource families, treatment foster care providers, and percent of youth in least-restrictive placement- how is the state recruiting and retaining foster care and treatment foster care providers to place youth in the least restrictive environment?</li> </ol>	LegisStat Hearing and potential hearing panel (Schools of Social Work)	Rachel and Nathan

<b>December</b>	<b>Child Welfare</b>	CYFD LegisStat and CYFD Budget Hearing	1.Child maltreatment and repeat child maltreatment- how is the state implementing prevention and early intervention efforts to reduce child maltreatment?2.Protective Services workforce: number of social workers, vacancy rates, and turnover- how is the state recruiting and retaining a professional child welfare workforce?3.Count of resource families, treatment foster care providers, and percent of youth in least-restrictive placement- how is the state recruiting and retaining foster care and treatment foster care providers to place youth in the least restrictive environment?	LegisStat Hearing brief and presentation	Rachel and Nathan
<b>July/December</b>	<b>Public Schools</b>	<i>Martinez- Yazzie</i> Outcomes	1. How are students performing (e.g. attendance, achievement, graduation)? 2. Where are the largest achievement gaps or areas for improvement? 3. How is PED using data to target resources and interventions to the highest need students? 4. What interventions or supports have the greatest impact on improving student outcomes?	LegisStat Hearing brief and presentation	Sunny
<b>June/Oct/Dec</b>	<b>Transportation</b>	Transportation Projects	1. How is NMDOT using available resources 2. How is NMDOT prioritizing resources to improve road conditions.	LegisStat Hearing brief and presentation	
<b>May/October</b>	<b>Workforce and Target Industries</b>	workforce	1. what is the current status of labor force participation rate? 2. what are the key industries within the state's economic development plan and status of development? 3. how do our workforce development activities align to our economic development plan?	LegisStat Hearing brief and presentation	Connor, Julisa, Rachel

			4. What is the status of investments for workforce development?		
<b>August/December</b>	<b>Early Childhood</b>	Medicaid Home Visiting	1. Why is enrollment lagging? 2. What are the expected timelines to expand providers? 3. What additional supports do providers need?	LegisStat Hearing brief and presentation	Kelly