

LFC 2025 STAFF INTERIM WORKPLANS

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2025 INTERIM WORK PLAN SUMMARY

Public Education and Higher Education

Rachel Mabe, Sunny Liu, Connor Jorgensen

Agencies: PED, HED, Public School Support, Higher Education Institutions

Analysts: Mabe, Liu, Jorgensen

PRIMARY ISSUES – PUBLIC EDUCATION					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Public Education Reform Fund</p> <p>Issue: Laws 2025, Chapter 72, requires the Public Education Department (PED) to submit its operating budget earlier and enhances evaluation of education initiatives. The budget includes \$61.8 million for five initiatives subject to evaluation under PERF. However, the governor vetoed language requiring PED to conduct randomized control trials or quasi-experimental studies of these initiatives.</p> <p>Objective: Establish a technical team that meets regularly to review PERF implementation</p> <p>Objective: Increase PED capacity for designing and conducting rigorous studies.</p> <p>Objective: Establish a research agenda that focuses on improving student outcomes.</p>	<p>Policy brief or subcommittee hearing topic</p> <p>Volume 1, 2</p> <p>Activity reports</p> <p>Budget recommendation</p> <p>Performance measures</p>	<p>Increased state capacity for rigorous evaluation</p> <p>Improved availability and quality of education data</p> <p>Sustainable framework for piloting and testing innovative educational approaches</p>	Mabe, Evaluation team, LESC, Liu	September 2025
2	<p>Career Technical Education</p> <p>Issue: Appropriations for career readiness have increased significantly in recent years, with the goal of improving student graduation rates and workforce participation. However, little is known about labor market outcomes for students completing these programs or the breadth of services and job placement resources available across state systems.</p> <p>Objective: Analyze and report high school senior outcomes, including post-graduation education, employment, and program completion.</p> <p>Objective: Map state agency efforts in career training and job creation to identify service overlaps, gaps, and opportunities for coordination.</p> <p>Objective: Evaluate CTE program efficacy pursuant to Section 22-1-12 NMSA 1978.</p>	<p>Potential brief</p> <p>Volume 1, 2</p> <p>Activity reports</p> <p>Budget recommendation</p>	<p>Alignment of education and workforce development investments across agencies</p> <p>Increased high school graduation rates</p> <p>Expanded higher education access and attainment among working-age adults</p> <p>Increased labor force participation</p>	Liu, Mabe, Garcia, Rodriguez, Jorgensen, Gray	December 2025

3	Strategic Staffing	Budget recommendation	Increased competitiveness of compensation packages	Mabe, LESC, Liu, Hernandez, Simon	August 2025
	Issue: New Mexico has significantly enhanced teacher recruitment through improved pay structures, increasing the pipeline of candidates while student enrollment drops. Additionally, with New Mexico consistently facing some of the lowest reading and math proficiency levels nationally, strategic identification and placement of highly effective teachers are crucial.	Volume 2	Improved instructional quality		
	Objective: Identify and extend the reach of New Mexico's most effective teachers.	Activity reports	Enhanced teacher retention rates		
	Objective: Examine the effectiveness of strategic staffing models implemented in schools.	Policy memo or hearing topic	Reduced teacher vacancies		
	Objective: Evaluate the impact of teacher residency programs and new science of reading requirements.				
	Objective: Achieve competitive parity in compensation packages between classroom teachers and other similarly educated professionals.				
	Objective: Evaluate the impact of current employer insurance contributions on educator recruitment and retention.				

SECONDARY ISSUES – PUBLIC EDUCATION					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	Federal and State Accountability	Volume 1, 2	Alignment of operational functions to strategic goals	Liu, Mabe	July 2025
	Issue: PED's new strategic plan focuses on five goals to improve reading and math achievement, attendance, graduation, and accountability. Ongoing litigation on educational sufficiency and instructional time, alongside volatile federal actions, create both challenges and opportunities for the state to achieve strategic goals.	Activity reports			
	Objective: Identify programs substantially supported with federal funds and, for those programs, identify potential changes and results of those changes and whether funding for the program aligns with committee priorities.	LegisStat report	Reduced school leadership turnover rates		
	Objective: Monitor state litigation related to the <i>Martinez-Yazzie</i> lawsuit and 180-day rule.	Budget recommendation			
	Objective: Monitor implementation of PED's accreditation process and school transformation initiative.				
	Objective: Monitor rollout of the statewide student information system.				
	Objective: Monitor implementation of new school leadership preparation requirements.				
	Objective: Conduct multi-year analysis of federal funding trends.				

	<p>Objective: Conduct analysis of unspent federal funding on top of operational cash balance.</p> <p>Objective: Provide the Legislature with options to optimize and increase accountability in data sharing, goal setting, performance, and outcomes by local education agencies.</p> <p>Objective: Compare technology coordination and utilization within classrooms and districts.</p> <p>Objective: Review school safety funding.</p> <p>Objective: Monitor and support PED compliance with <i>Martinez-Yazzie</i> and progress toward developing statewide plan and subsequent implementation.</p>				
2	<p>Micro districts</p> <p>Issue: School districts serving fewer than 200 students—often in rural or remote areas—face distinct operational and educational challenges. These include staffing shortages, aging or inadequate facilities, high transportation costs, and limited access to comprehensive educational programming. Laws 2025, Chapter 16 attempts to address some of these issues by reducing the local match requirement for capital outlay projects, but additional analysis is needed to understand its impact.</p> <p>Objective: Compare educational outcomes, programming, staffing levels, transportation costs, and per-student funding levels in micro districts versus larger districts.</p> <p>Objective: Simplify components of the state equalization guarantee distribution that account for size and scale inefficiencies.</p> <p>Objective: Increase the accuracy of the local-state match formula for school capital outlay funding.</p> <p>Objective: Compare cost differences and outcomes for online schools versus in-person schools.</p>	<p>Hearing topic</p> <p>Activity reports</p>	<p>Identification of operational efficiencies</p> <p>Improved school facility conditions</p> <p>Increased student access and engagement</p>	Liu, Mabe, Carswell	May 2025

3	<p>Operational Costs</p> <p>Issue: Participation in new state initiatives, such as the universal school meals program, continue to increase operating costs. Changes to the funding formula were intended to target funding toward low-income students and operational needs in secondary schools. Understanding how schools respond to these formula changes will help policymakers understand how formula factor changes affect school operations.</p> <p>Objective: Project costs of universal school meals.</p> <p>Objective: Obtain justifications and plans from local education agencies for large cash balances.</p> <p>Objective: Monitor federal award carryovers, community benefit status and calculations.</p> <p>Objective: Track student enrollment trends and use of secondary funding increases.</p> <p>Objective: Produce analysis assessing structural surpluses.</p> <p>Objective: Produce analysis on school transportation and bus routes and how to enhance these systems.</p>	<p>Program evaluation</p> <p>Budget recommendation</p> <p>Volume 1, 2, 3</p> <p>Activity reports</p>	<p>Reduced reversions and fund balances</p> <p>Increased accuracy of cost projections</p> <p>Identification of workload changes</p>	<p>Liu, Mabe, Evaluation team, LESC</p>	<p>June 2025</p>
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PRIMARY ISSUES – HIGHER EDUCATION					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Higher Education Funding</p> <p>Issue: New Mexico ranks second in the nation for per student spending on higher education but has among the lowest educational attainment in the nation and consistently underperforms U.S. average retention and graduation rates. To address this, the Legislature expressed support for increasing weights for institutional performance in the funding formula rather than a market share approach and has funded an adequacy study for all higher education institutions.</p> <p>Objective: Analyze the effect of increasing performance funding in the formula including examination of transfers from the institutional performance measures to the standard allocation and examination of effectiveness of existing formula measures.</p> <p>Objective: Monitor implementation of I&G study formula changes.</p>	<p>Potential brief or subcommittee hearing topic</p> <p>Volume 1</p> <p>Volume 3</p> <p>Activity reports</p>	<p>Increased performance funding incentives in the higher education funding formula.</p>	Jorgensen	December, 2025
2	<p>Student Success</p> <p>Issue: Graduation rates at New Mexico colleges rank near the bottom in the nation, while state and local funding are the second highest. Additionally, the Legislature made specific appropriations for student support services over the past several years. The disparity in funding levels and retention and graduation rates make clear that colleges and universities must do more to improve student outcomes. However, little is known about what student success strategies are employed by various institutions, how students are selected for additional support, or how funding for these initiatives is determined.</p> <p>Objective: Work with HEIs to identify current student success interventions and effectiveness.</p> <p>Objective: Create a distribution formula for the three-year, \$20 million appropriation for student retention incentives.</p> <p>Objective: Review national best practices for student success initiatives.</p>	<p>Potential brief or subcommittee hearing topic</p> <p>Volume 1</p> <p>Volume 3</p> <p>Activity reports</p>	<p>Improved understanding of current student success initiatives.</p> <p>Accounting for prior year student support appropriations.</p>	Jorgensen	December, 2025

3	<p>Career Services</p> <p>Issue: New Mexico per capita income ranks 48th in the nation and 40th in the proportion of the population with a four-year degree. At the same time, the state faces an acute labor shortages in many high-demand occupations, including healthcare and skilled trades, further hampering economic growth. The Legislature made significant recurring and nonrecurring appropriations for high-demand career training over the past several years, but little data has been available on the impact of the new funding in terms of increases in program enrollment and outcomes. Additionally, many colleges are not actively tracking student progression from graduation to career, which not only creates a gap in understanding of the financial impact of higher education for students, but may also lead to academic programming not being responsive to employer needs.</p> <p>Objective: Work with HEIs to identify the career services programs currently employed and associated outcome measures.</p> <p>Objective: Track use of the high-demand career training funding made over the past several years in coordination with program evaluation unit.</p> <p>Objective: Review performance of workforce training programs that received GRO funding in FY25 and HED to determine how funds will be distributed in FY26.</p>	<p>Potential brief or subcommittee hearing topic</p> <p>Volume 1</p> <p>Volume 3</p> <p>Activity reports</p>	<p>Inventory of career services offered by institution.</p> <p>Improved understanding of student career outcomes.</p>	<p>Jorgensen/ Lobaugh</p>	<p>December, 2025</p>
4	<p>Financial Aid Sustainability</p> <p>Issue: New Mexico offers tuition-free college to the vast majority of undergraduate students through the lottery and opportunity scholarships. These programs receive significant general fund appropriations and funding from the \$1 billion higher education trust fund. However, the sustainability of these programs is dependent on changes in enrollment and tuition rates. To ensure continued access to tuition-free higher education, the Legislature must regularly evaluate the financial health of these programs.</p> <p>Objective: Work with HED to update prior year spending and out-year projections for lottery and opportunity scholarship expenditures.</p> <p>Objective: Project probable enrollment changes in FY27 and beyond based on current high school graduation rates and K-12 student populations.</p>	<p>Potential brief or subcommittee hearing topic</p> <p>Volume 1</p> <p>Volume 3</p> <p>Activity reports</p>	<p>Updated financial projections for scholarship programs.</p>	<p>Jorgensen</p>	<p>December, 2025</p>

SECONDARY ISSUES – HIGHER EDUCATION					
Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	Federal Funding Uncertainty Issue: The federal government has abruptly cancelled or altered the terms of many federal grant programs through which New Mexico colleges and universities receive funding. A number of higher education institutions nationwide have reported faculty and staff layoffs as well as curtailment of certain academic programs. Objective: Monitor disruptions to federal funds. Objective: Determine the exposure of New Mexico HEIs to changes in federal grant programs. Objective: Monitor changes in academic programming resulting from federal policy changes.	Activity Reports	Informational Potential budget impacts	Jorgensen	December, 2025
2	GRO Tracking Issue: The Legislature made appropriations to the Higher Education Department through the GRO providing additional funding for workforce training and to improve student retention. Objective: Work with the Higher Education Department to create distribution methodologies and performance tracking frameworks for this funding.	Activity Reports	Informational Potential budget impacts	Jorgensen	December, 2025
3	Nonrecurring Tracking Issue: The Legislature made 57 nonrecurring appropriations totaling \$211.9 million to the Higher Education Department and institutions during the 2024 session. Objective: Track expenditure progress of these appropriations. Objective: Assess the structure of adult literacy efforts statewide and provide recommendations for improvement.	Volume 1 Activity Reports	Informational	Jorgensen	December, 2025
4	Athletics Objective: Look into athletics funding, implications of National House ruling, and modernization of athletics given the national backdrop.				

2025 INTERIM WORK PLAN SUMMARY

Health and Communities

Eric Chenier, Kelly Klundt, Rachel Garcia, Harry Rommel, Allegra Hernandez, RubyAnn Esquibel

Agencies: HCA, ECECD, CYFD, Multiple Others

Analysts: Chenier, Klundt, Garcia, Rommel, Hernandez, Esquibel

PRIMARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Behavioral Health Oversight and Monitoring</p> <p>Issue: A lack of access to high-quality evidence-based treatment continues to slow progress at improving behavioral health and substance use outcomes. During the 2025 legislative session, to address access issues and improve coordination and regional planning, the Legislature passed the Behavioral Health Reform and Investment Act (BHRIA) along with \$562 million in nonrecurring funding, including \$4 million for local health councils to transition to behavioral health supports, and funding for additional provider rate adjustments. This effort builds on prior year investments that significantly increased Medicaid provider rates and funded other initiatives, such as certified behavioral health clinics and capacity building efforts.</p> <p>Additional appropriations were included to serve those transitioning from incarceration and to improve integration of medication assisted treatment (MAT) in primary care settings.</p> <p>Objective: The BHRIA will require a significant amount of oversight from the Legislature to ensure effective implementation, accountable spending, and improved access to high quality evidence-based behavioral health services. The legislature will have to evaluate whether local plans and grants align with needs and gaps and how local health councils are functioning.</p>	<p>Status hearings on the implementation of BHRIA and associated appropriations</p> <p>Collaboration with HCA to provide evaluation criteria to AOC for regional plans and confirm regional plans meet standards</p> <p>Hearings on Medicaid transitional services for incarcerated individuals.</p> <p>GRO update</p>	<p>Improved behavioral health and substance use outcomes by improving regional planning and ensuring access to evidence-based behavioral health services</p>	<p>Chenier, HHS Team, Evaluators, HCA, AOC, Stakeholders</p>	<p>Ongoing</p>
2	<p>Homelessness and Housing</p> <p>Issue: Homelessness associated with crime, public safety, and behavioral health continues to be an issue all around the state. The Legislature provided substantial funding to address the issue in multiple ways.</p> <p>Objective: Address homelessness through multi-layered approaches.</p>	<p>Presentation to LFC and LHHS summarizing multiple funding streams targeting homelessness, public safety and behavioral health</p> <p>Analyze outcomes of targeted homelessness funding.</p>	<p>Reduced homelessness and increased access to social services</p>	<p>Esquibel, HHS Team</p>	<p>Ongoing</p>

3	<p>Healthcare Access</p> <p>Issue: A lack of access to high-quality healthcare causes greater health disparities in New Mexico than other states, including higher mortality rates, lower life expectancies, high rates of chronic disease, poor maternal and child health outcomes, and more substance use. Additionally, fewer people are engaged in the economy partially because of these outcomes.</p> <p>To address access issues in the last several years, the state invested hundreds of millions to increase provider rates, improve workforce training initiatives, and improve healthcare provider capacity. The impact of these investments is unclear, and the implementation of these services is not strategically planned.</p> <p>Objective: Work with state health agencies and other organizations to ensure recent healthcare investments lead to improved access.</p> <p>Objective: Access synergy and impact of telehealth and school-based health clinics impact on improving healthcare access and outcomes.</p> <p>Objective: Examine the impact of Medicaid changes on hospitals and health care access.</p>	<p>Medicaid accountability report (rates, performance)</p> <p>MCO provider network adequacy report</p> <p>Monitoring of use of rural healthcare delivery grants</p> <p>Link rate increases with utilization trends. Ensure rate increases were established as enacted.</p>	<p>Improved healthcare access, fewer 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>	<p>HHS Team, including contractors, and HCA, and evaluation team</p>	<p>Ongoing</p>
4	<p>Healthcare Workforce</p> <p>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: Examine factors impacting the health care workforce including education, pay, and rates. gaps and needs, and alignment with local regional plans. Example: HB15 appropriation to DWS for strategic healthcare recruitment program.</p> <p>Objective: Analyze available workforce data from HHS/HRSA, HED, HCA and other sources. Evaluate data sources for relevance to New Mexico. Establish baseline data and targets for 2030.</p>	<p>Activity reports, briefs of subcommittee hearing topic</p> <p>Evaluation on nursing and social work endowments</p>	<p>Alignment between involved state agencies and other stakeholders (e.g. UNM HSC) to address workforce gaps and alignment with local BH needs</p> <p>Final recommendations and performance measures for workforce</p>	<p>HHS Team, Evaluators, HCA, UNM Health Sciences Center</p>	<p>Ongoing</p>

5	<p>State Health Benefits and Health Care Affordability Fund</p> <p>Issue: During the Covid-19 pandemic, Medicaid experienced record participation with over 1 million enrollees. More recent data indicates enrollment is now around 829 thousand New Mexicans. This raises the question of where the individuals who were enrolled in Medicaid enrolled post-Medicaid. In conjunction, the passage of SB376 during the 2025 legislative session requires that the state contribute at least 80 percent of the cost of health insurance for state employees. It further authorizes HCA to establish a reference-based pricing program for hospitals. Finally, the State Health Benefits Program (SHB) has run a deficit since FY21 because of the administration not increasing rates, continued medical inflation, and uncontrolled medical costs. To ensure solvency, the program will require a significant premium rate increase in FY27.</p> <p>SHB received nonrecurring funding from the health care affordability fund to cover the costs of the new legislation and some of the deficit on top of general fund revenue.</p> <p>Objective: Eliminate SHB structural deficit without significantly impacting employer premiums.</p> <p>Objective: Understand the impact of SB376 on state employees, while determining the feasibility of a similar structure for NMPSIA.</p> <p>Objective: Derive the feasibility of reference-based pricing for other health services besides hospitals.</p> <p>Objective: Examine the potential feasibility and likelihood for changes in types of plans to eligible employees.</p>	<p>Recommendations to control costs</p> <p>Hearing on major cost drivers</p> <p>Monitoring of SHB projections quarterly</p> <p>Partnership with NMPSIA and HCA to determine if the state's contribution to teachers can be raised to 80 percent</p> <p>Collaboration with NMPSIA, HCA, and RHCA to examine potential changes in structure to health insurance plans within the state</p> <p>Oversee the establishment of new Health Care Affordability Fund programs such as the program for undocumented individuals,</p>	<p>Control of SHB costs while providing improved coverage options for state employees</p>	<p>Hernandez, Chenier, Esquibel</p>	<p>December 2025</p>
6	<p>Substance Use Disorder Treatment</p> <p>Issue 1: Department of Health Public Health offices received increased revenues to expand substance use disorder (SUD) services. The system should align with community service needs.</p> <p>Objective 1: Review expansion of Public Health office SUD service availability. Visit public health offices to better understand underutilized capacity and service needs.</p> <p>Issue 2: Providing MAT services to high-risk populations has become a priority for the Legislature. During the 2025 legislative session, the Legislature appropriated over \$100 million to the Corrections Department and HCA to introduce a roll-out of MAT for inmates in New Mexico. Moreover, HB152, which would have required CYFD to provide MAT services to youth, did not pass. However, it is unclear how many youth need MAT services.</p> <p>Objective 1: Monitor the roll-out of MAT services in prisons across the state to determine access and outcomes for eligible participants.</p>	<p>Monitoring of and visiting offices to better understand underutilized capacity and needs</p> <p>Monitoring of department spending</p> <p>Updated status from recommendations of recent program evaluation and interim legislative hearings</p> <p>Collaboration with HCA and NMCD to monitor the roll-out of MAT services for inmates.</p>	<p>Improved budget recommendation and performance measures</p> <p>Improved access to behavioral health services</p> <p>Clear understanding for the next legislative session regarding juvenile behavioral health needs</p>	<p>Kludt, Hernandez, DOH, HCA, NMCD, CYFD, Evaluation Team</p>	<p>December 2025</p>

	<p>Objective 2: Track and understand juvenile behavioral health needs within the state.</p>	<p>Determination of outcomes to track the efficacy of the MAT roll-out</p> <p>Collaboration with CYFD to gather juvenile justice risk and needs assessment data to determine how many youth would be eligible for MAT services in the state, if provided</p>			
7	<p>Early Education and Care</p> <p>Issue: Early Childhood Education and Care programs including childcare assistance, prekindergarten, home visiting, and FIT have received historic funding increases to increase quality, rates, and services. These investments are a statewide strategy to improve outcomes for children and families. However, improved outcomes will rely on quality of implementation of these programs.</p> <p>Objective: Monitor expansion and quality implementation of services. Provide policy options to improve system continuity, including monitoring of quality standards and delivery to underserved populations, such as infants, continued monitoring of quality improvement, monitor system capacity, and collaboration with federally funded Head Start programs.</p> <p>Monitoring of the expansion of the Medicaid matched home visiting program. Provide policy options to expand the program more quickly.</p>	<p>Continued monitoring of the implementation of quality improvements. Early childhood Accountability Report, activity reports, committee hearings</p> <p>Identification of latest national policy trends regarding infant and toddler care</p> <p>Monitoring of prekindergarten expansion and childcare assistance funding.</p> <p>Monitoring of federal childcare assistance and home visiting given possible federal reductions.</p> <p>Volume 1 Policy Discussion</p>	Budget, policy, Early Childhood Accountability Report, and performance recommendations	Klundt, Hernandez, Evaluators, ECECD	December 2025

7	<p>State-Operated Healthcare Facilities</p> <p>Issue: The Department of Health operates several facilities statewide with a variety of services. These facilities have been financially strained post-pandemic and continue to report low capacity despite unmet need for services. The department is also opening a new facility for substance use disorders which was previously expected to be run privately.</p> <p>Objective: Monitor state facilities financial and services quality.</p>	<p>Monitoring of facility finances and capacity.</p> <p>Monitoring of implementation of new facility.</p> <p>Identifying latest national policy trends.</p>	<p>Budget, policy, and performance recommendations</p> <p>Activity Reports</p>	Klundt, DOH	Ongoing
8	<p>Hospital Oversight, Accountability, and Structure</p> <p>Issue: Between FY24 and FY25, the Legislature invested \$972.5 million into hospitals, including rate increases and subsidies. The most impactful being the Healthcare Delivery and Access Act. The HDAA will have issued six months of payments by July 1, totaling approximately \$709 million to hospitals. In addition, the HDAA working group will have determined what qualifications are necessary to meet the 75 percent reporting requirement of what must be spent in New Mexico. Importantly, the passage of HB586 during the 2025 legislative session instructs the HCA to monitor mergers and acquisitions of medical entities that could potentially result in worse healthcare outcomes for New Mexicans. It is necessary to monitor the implementation and outcomes of both programs.</p> <p>Objective: Begin to understand the impact of the payments on healthcare delivery and access for hospitals and New Mexicans, as well as, have a clear understanding of what will be required of hospitals to maintain eligibility.</p> <p>Objective: Work with HCA to understand the impact of HB586 for hospitals and facilities, as well as monitor and review the implementation of HB586.</p>	<p>Collaboration with HCA and the NM Hospital Association to determine if outcomes are improving for New Mexicans and hospitals with the infusion of funds from the HDAA.</p> <p>Understanding of how the restrictions under the requirement that 75 percent of the funding must be spent in-state will impact health outcomes within the state</p> <p>Determination of how many entities are impacted by the passage of HB586</p> <p>Understanding of the implementation of HB586 under HCA</p>	Understanding return on the Legislature's investment	Hernandez, Rommel	September/October

9.	<p>Child Welfare Reform Implementation and Monitoring</p> <p>Issue 1: Prevention and Early Intervention- Research suggests evidence-based programs can reduce and prevent child maltreatment. The federal Family First Prevention Services Act (FFPSA) makes federal funding for evidence-based prevention services available to states. However, CYFD is generally not implementing evidence-based programs, and the state's FFPSA has been rejected multiple times. CYFD received GRO and recurring appropriations to pilot, implement, evaluate and seek federal funds for evidence-based prevention programs. Senate Bill 42, passed during the 2025 session, requires CYFD to develop and implement a state prevention plan that complies with federal requirements and provide updates to New Mexicans and the Legislature about this plan and outcomes.</p> <p>Issue 2: Differential Response- To date, CYFD has not implemented differential response, also called multilevel response, in an evidence-based way or in alignment with statute, passed in 2019. During the 2024 legislative session, CYFD received GRO appropriations to pilot, implement, and evaluate differential response over three years, and the agency received technical assistance from Casey Family Programs. Passed during the 2025 legislative session, Senate Bill 42 will require CYFD implement differential response statewide, beginning in 2027.</p> <p>Issue 3: Protective Services Workforce- In January 2025, an arbiter determined CYFD had failed to meet <i>Kevin S.</i> settlement agreements related to caseload standards. In addition, turnover among Protective Services staff hovered around 30 percent in FY25 and increased to nearly 50 percent in February 2025. The Legislature has made targeted investments through the GRO to address the Protective Services workforce, including \$5.2 million in 2024 and a total of \$54 million in 2025 to address caseloads, training, vacancies, and other workforce needs.</p> <p>Objective: Current worker training and retention. New worker pipeline/cultivation</p> <p>Issue 4: Community-Based Placements for Children in Foster Care In January 2025, an arbiter determined CYFD failed to meet <i>Kevin S.</i> settlement commitments to increase the number of community-based foster care placements. In addition, the Legislature has made significant investments to increase foster care providers, including through Medicaid treatment foster care rate increases, \$3.75 million appropriated through the GRO in 2024 to recruit, train, and retain foster care providers, and \$5 million through the GRO in 2025 for foster care provider rate increases.</p> <p>Objective: For each of the issues listed above, monitor implementation, including the plan for implementation, outputs, expenditures, and outcomes. Compare to best practices in other states to inform policy and program recommendations.</p>	<p>Collaborate with CYFD to monitor implementation of each issue</p> <p>LegisStat and hearing briefs</p> <p>Senate Bill 58 inventory for CYFD programs</p>	<p>Oversight and accountability for CYFD appropriations</p> <p>Compliance with <i>Kevin S.</i> commitments and improved CYFD outcomes</p> <p>Information valuable to FY28 budget recommendations (first year following end of GRO appropriations)</p>	Garcia	Ongoing
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10.	<p>CYFD Federal Revenues Monitoring</p> <p>Issue: Since FY21, federal revenue realized within the Protective Services program at CYFD have declined, resulting in reported budget shortfalls in FY24 and FY25. In FY25 and FY26, CYFD received special appropriations to seek technical assistance related to maximizing federal funds, and the agency received a supplemental and deficiency appropriation up to \$25 million associated with declines in federal revenue, with requirements the agency initiate a study to review department practices related to federal funds.</p> <p>Objective 1: Monitor CYFD's efforts to study federal reimbursement procedures and reclaim federal funds the agency may not have realized to date, including federal funding within Protective Services, federal funds related to the Family First Prevention Services Act, and Medicaid for behavioral health services delivered through Juvenile Justice Services Programs or children's behavioral health.</p> <p>Objective 2: Identify programs substantially supported with federal funds, and for those programs, identify potential changes and results of those changes and whether funding for the program aligns with committee priorities.</p>	<p>Collaborate with CYFD to put in place regular federal funds monitoring process</p> <p>Quarterly report of federal revenue projected, realized, and reclaimed</p>	Improved FY27 operating budget recommendations	Garcia	November 2025
11	<p>Juvenile Justice Services</p> <p>Issue: Following 15 years of reforms, the number of juveniles in secure facilities and the number of referrals of juvenile crime fell to all-time lows during the pandemic. However, some data indicates increases in juvenile crime, particularly violent offenses, and the Legislature introduced a variety of bills intended to address juvenile crime.</p> <p>Objective 1: Analyze and summarize current trends in juvenile crime, including referrals to Juvenile Justice Services, service utilization and type of service, sentencing trends, and outcomes, including re-offending and recidivism over the last five years.</p> <p>Objective 2: Analyze performance outcome and expenditure trends related to the juvenile justice service continuum, including the Juvenile Justice Advisory Council (JJAC), community-based supervision, community-based grants and other prevention programs, and secure confinement, to evaluate impact of these strategies on rehabilitation, re-offending, and recidivism.</p> <p>Objective 3: Study evidence-based practices and programs to identify potential program and policy improvements to address juvenile crime trends in New Mexico.</p>	<p>Program evaluation progress report</p> <p>Senate Bill 58 inventory and outcomes</p>	<p>Policy and program recommendations to inform the FY27 operating budget.</p> <p>Reduced rates of juvenile crime</p>	Garcia, Hernandez Evaluators	October 2025
12	<p>Monitoring GRO appropriations</p> <p>Issue: The Legislature has made significant, multi-year investments through the government results and opportunity (GRO) fund to pilot and evaluate strategies and programs to improve outcomes in state government.</p>	Performance measures to evaluate the impact of GRO pilots	Policy and program recommendations to inform budgets following GRO pilots	Chenier, Klundt, Garcia, Evaluators	December 2025

	Objective: Monitor the development of performance measures, track the implementation of programs, and monitor GRO appropriation spending at the following agencies: <ul style="list-style-type: none"> • HCA: • CYFD: \$57.2 million appropriated in the 2025 Legislative session and \$22.3 million appropriated in the 2024 Legislative session. • DOH: • ECECD: • OFRA: \$4.88 million appropriated in the 2024 Legislative session 	Hearing briefs and activity reports of spending and activity.			
15	Medical Malpractice Objective: Provide inventory of med mal landscape and the impact of recent medical malpractice reforms, including caps. Objective: Identify options for medical professional recruitment and retention.				

SECONDARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	Pharmaceutical drug benefits. Issue: High-cost drugs such, as novel cancer therapies and brand-name GLP-1 drugs, continue to increase in cost and utilization, placing additional pressure on state health benefits and the Health Care Affordability Fund. Objective: Identify cost drivers, such as drug type and utilization rate and the role of prior authorization. Objective: Identify the actions pharmacy benefit management can play in cost-containment while ensuring quality access to appropriate drug therapies.	Brief on major cost drivers. Recommendations to control costs. Better understanding of reference-based pricing for drugs in SHB and other areas Brief on Medicaid and State Health Benefits Pharmaceuticals	Lower out of pocket costs for consumers and reduced spending on state programs.	Rommel, Esquibel, Hernandez	August 2025

2	<p>New Medicare/ Area Agencies on Aging (AAA)</p> <p>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: Monitoring of emergency advancements and gain an understanding of the need.</p> <p>Monitoring of AAA allocations and system needs.</p> <p>Monitor New Medicare expansion and develop program outcome measures.</p>	Improving services for aging adults	Klundt, ALTSD	Ongoing
3	<p>Prior Authorization</p> <p>Issue: A 2023 U.S. Health and Human Services Office of the Inspector General report expressed concern that some people enrolled in Medicaid managed care may not be receiving all medically necessary health care services intended to be covered based upon: (1) the high number and rates of denied prior authorization requests by some managed care organizations (MCOs), (2) the limited oversight of prior authorization denials in most states, and (3) the limited access to external medical reviews. PA laws enacted in other states aim to reduce volume of PA requirements, reduce patient care delays, increase public access to data, and improve transparency about which medications and procedures require prior authorization.</p> <p>Objective: Analyze PA laws enacted in other states (e.g. Texas' "gold card") and their effect on patient care and physician satisfaction/retention.</p> <p>Objective: Examine fiscal impact of PA reforms on both prescription drugs and outpatient procedures.</p>	Brief of current prior authorization laws in NM and results of prior authorization legislation in other states	Enhanced patient outcomes by removal of delays due to prior authorization	Rommel	June/July 2025

4	<p>Developmental Disabilities and Mi Via Waivers</p> <p>Issue: The Developmental Disabilities, Mi Via, and Supports waivers served 7,849 New Mexicans at a cost of almost \$800 million in FY24. Total appropriations to the Developmental Disabilities Supports Division, the division overseeing these waivers, reached \$1.2 billion in FY24. The Developmental Disabilities and Mi Via waivers make up the largest portion of the Developmental Disabilities Supports Division budget.</p> <p>Objective: Analyze progress on unresolved findings indicated within the 2018 and 2024 program evaluations:</p> <ul style="list-style-type: none"> • Developmental Disability Waiver cost per client rose 17 percent between FY14 and FY17, even though total enrollment declined 13 percent • Mi Via, through its rate range model and lack of effective oversight for employers of record, was driving cost increases for the state's developmental disability programs • DOH's assessment and budget allocation tool lacks standardization and is a cost driver, particularly since the standards-based assessment was dropped as a screening tool in response to the settlement of the Waldrop due process lawsuit, in favor of the more individualized and expensive Outside Review • Data collection offers DOH an opportunity to improve performance management and client outcomes, particularly by including DD-specific measures into DOH strategic priorities and goals. 	<p>Presentation on major cost drivers and progress on unresolved findings.</p> <p>Monitoring Developmental Disabilities Supports Division reimbursements quarterly</p> <p>Examine Gross Revenue Tax bill for Mi Via providers</p>	<p>Enhanced patient outcomes</p> <p>Transparency and accountability for state and federal funds</p>	<p>Rommel, Esquibel, Chenier</p>	<p>November 2025</p>
5	<p>HHS Federal Funds Monitoring</p> <p>Issue: The federal Department of Health and Human Services is canceling tens of billions of dollars in federal grants that state and local health departments were using to track infectious diseases, health disparities, vaccinations, mental health services, and multiple other health and human service issues. Potential reductions to Medicaid eligibility and Medicaid federal funds may be forthcoming.</p> <p>Objective: Identify programs substantially supported with federal funds and, for those programs, identify potential changes and results of those changes and whether funding for the program aligns with committee priorities.</p>	<p>Presentation to LFC and LHHS summarizing federal funding issues</p> <p>Analyze impact of federal funding reductions</p>	<p>Transparency, oversight, and monitoring of unfolding federal funding changes</p>	<p>Esquibel, HHS Team, Evaluators</p>	<p>Ongoing</p>
6	<p>Implementation of SB42 CARA reform</p> <p>Issue: Passed during the 2025 session, Senate Bill 42 moves responsibility for implementation of plans of safe care (CARA) from CYFD to the Health Care Authority and requires a variety of other program changes recommended by LFC program evaluations.</p> <p>Objective: Monitor the implementation of Senate Bill 42</p>	<p>Summary of implementation plan and progress included in LegisStat brief and hearing (prevention and early intervention focus)</p> <p>Information for the FY27 LFC budget recommendation</p>	<p>Increased referrals to and participation in evidence-base programs (substance use treatment and home visiting)</p> <p>Improved outcomes of substance-exposed newborns and families and reduced entrances into foster care</p>	<p>Garcia, Klundt, Chenier</p>	<p>Ongoing</p>

8	<p>Developmental Disabilities Council Special Appropriations and Waiting List</p> <p>Issue: In the last five years, the number of applications for professional guardianship and the number of people receiving a professional guardian, has been growing. DDC projects the waiting list for guardianship services will increase in FY25, and the Legislature responded during the 2025 session with a supplemental appropriation for FY25 and a special appropriation and operating budget increases in FY26 to reduce the growing waiting list. The Legislature also passed SB535, which creates a supported decision-making program within the Office of Guardianship, which may reduce the need for professional guardianship services.</p> <p>Objective: Monitor the DDC waiting list and the implementation of Senate Bill 535.</p>	Activity reports and Volume II write-up	<p>Information for the FY26 budget recommendation</p> <p>Reduced waiting list for guardianship services</p>	Garcia	August 2025
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2025 INTERIM WORK PLAN SUMMARY

Justice and Public Safety

Scott Sanchez and Felix Chavez

Agencies: DPS, NMCD, DHSEM, AOC, NMAG, LOPD, District Attorneys, Courts

Analysts: Scott Sanchez, Felix Chavez

PRIMARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Behavioral Health</p> <p>Issue: During the 2025 Legislative session, to address issues and improve coordination and regional planning, the legislature passed the Behavioral Health Reform and Investment Act (BHRIA) along with \$562 million in nonrecurring funding and additional provider rate adjustments. The act tasks the Administrative Office of the Courts (AOC) with coordinating regional behavioral health planning, approving regional plans, monitoring outcomes, and leading project management via a Health Care Authority (HCA) project manager. The act requires regional meetings, intercept mapping, and submission of standardized plans to the Legislature. HCA must provide initial standards for adoption.</p> <p>Objective: Monitor implementation, spending, and for improved access to high quality evidence-based behavioral health services.</p> <p>Objective: Monitor AOC's progress in coordinating regional meetings, intercept mapping, and coordinating the development of regional behavioral health plans.</p> <p>Objective: Monitor that AOC receives the initial set of generally recognized standards for behavioral health services for adoption and implementation in regional plans from HCA and that AOC follows them.</p>	<p>Meetings with stakeholders</p> <p>Data for non-recurring appropriations FY27 budget recommendation and narrative</p> <p>Recommended language for the 2026 legislative session</p> <p>Data on behavioral health</p> <p>Policy options and recommendations for implementation of the BHRIA</p>	<p>Improve behavioral health and substance use outcomes by improving regional planning and ensuring access to evidence-based behavioral health services</p>	<p>Chavez, AOC, HCA, HHS team, and Evaluators.</p>	<p>Ongoing</p>

PRIMARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
	Objective: Monitor impact and implications for juveniles.				
2	<p>Parole Revocations</p> <p>Issue: Parole revocations make up about one-third of prison admissions, with many due to technical violations that do not involve new crimes. Despite repeated legislative efforts to reduce incarceration for these violations, the governor has vetoed reform bills in recent sessions, though a bill eliminating supervision fees was signed into law in 2025. The Legislature appropriated funds for transitional housing and discharge planning in FY23, FY24, and FY25 now being implemented by NMCD, and recent statutory changes aim to expand access to medical and geriatric parole.</p> <p>Objective: Monitor implementation of parole reforms and transitional housing investments by NMCD.</p> <p>Objective: Coordinate with the Sentencing Commission and stakeholders to evaluate legislative options for addressing incarceration driven by technical violations and to increase safe and effective parole placements.</p> <p>Objective: Monitor impact and implications for juveniles.</p>	<p>Activity reports</p> <p>Oversight of transitional housing appropriations</p> <p>Stakeholder meetings</p> <p>Parole data analysis</p> <p>Recommended FY27 budget actions</p> <p>Potential legislation for 2026</p>	<p>Reduced incarceration of individuals for technical violations</p> <p>Increased access to parole for medically eligible and aging individual</p> <p>Improved tracking and transparency of parole board decisions</p> <p>Support for legislative and budgetary reforms that expand alternatives to incarceration while maintaining public safety</p>	Sanchez, Chavez, Dinces, Eval. Team	December 2025

PRIMARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
3	<p>NMCD Recidivism</p> <p>Issue: Although NMCD's three-year recidivism rate has improved recently, it remains among the highest in the nation. NMCD has developed a consolidated Reentry Program incorporating recidivism reduction, educational programming, and transitional services.</p> <p>Objective: Improve accountability and transparency of reentry programming by developing robust performance measures</p> <p>Objective: Oversee implementation of the reentry pilot projects</p> <p>Objective: Analyze the effectiveness of investments in reducing recidivism</p> <p>Objective: Monitor impact and implications for juveniles.</p>	<p>Activity reports</p> <p>Performance measure recommendations</p> <p>FY27 budget recommendations</p> <p>Volume 1 narrative.</p>	<p>Improved data quality and performance accountability for reentry programming</p> <p>Strengthened evaluation framework for recidivism reduction initiatives</p> <p>Enhanced legislative oversight of NMCD's reentry investments</p> <p>Support for expanded funding of effective, evidence-based interventions.</p>	Sanchez	December 2025
4	<p>Consumer Settlement Fund</p> <p>Issue: The Attorney General has requested to use more of the consumer settlement fund for operational needs to rely less on general fund funding. The FY26 budget provides the Attorney General with the opportunity to use more consumer settlement funds and prove that the agency can generate enough revenues for the consumer settlement fund to stay at an adequate funding level.</p> <p>Objective: Coordinate with the Attorney General and agencies that receive consumer settlement fund funds to improve data reporting</p> <p>Objective: Understand what is restricted and what is not and the state of liabilities on the fund</p> <p>Objective: Understand the pros and cons of using other state funds for operating use.</p>	<p>Meetings with stakeholders</p> <p>Consumer Settlement Fund projection table</p> <p>FY27 budget recommendation and narrative</p> <p>Pros and cons list on using other state funds as funding source rather than general fund</p> <p>Recommended language for the 2026 legislative session.</p>	<p>Increased understanding of the state of the consumer settlement fund</p> <p>Greater transparency and budgetary decision-making</p> <p>Additional legislature data and information on whether the Attorney General's Office should transition to an enterprise model</p>	Chavez, Sanchez	October 2025

PRIMARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
	Objective: Monitor impact and implications for juveniles.				
5	<p>11th District Attorney Division 1 and Division 2 FY26 Funding</p> <p>Issue: The 11th District Attorney Division 2 has struggled with chronic recruitment and retention issues resulting in extremely high caseloads that surpass every other district attorney's office. The high caseloads in the 11th District Attorney Division 2 office have brought into question the ability of the office to follow its statutory responsibility and provide swift and certain justice in McKinley County. The FY26 budget removes funding from the 11th District Attorney Division 2 and moves it to the 11th District Attorney Division 1 for district attorney duties in McKinley County pursuant to Section 36-1-18 NMSA 1978.</p> <p>Objective: Investigate how the 11th District Attorney Division 1 will administer the additional funding intended for district attorney duties in McKinley County.</p> <p>Objective: Monitor the 11th District Attorney Division 1 to see if caseloads and other efficiency metrics improve and gather information on what operational changes were made to create that improvement.</p> <p>Objective: Monitor any legal action because of the budgetary changes made in the 2025 GAA.</p> <p>Objective: Monitor impact and implications for juveniles.</p>	<p>Meetings with stakeholders</p> <p>Site visits</p> <p>FY27 budget recommendation and narrative</p> <p>Recommended language for the 2026 legislative session</p> <p>Status Memo</p>	<p>Increased understanding of 11th District Attorney Division 1 management of the additional caseload and FTE</p> <p>Understanding of possible avenues to take when district attorney offices are not adhering to their statutory responsibilities and of any legal issues that may occur from making a similar budgetary change elsewhere</p>	Chavez	Ongoing

SECONDARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Public Safety Outcomes</p> <p>Issue: 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>Objective: 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.</p>	<p>High-level tracking sheet</p> <p>Meetings with stakeholders</p> <p>FY27 budget recommendations and narratives</p> <p>Recommended legislation</p>	<p>Reduced costs to the justice system and reprioritization of funding toward effective interventions to prevent crime</p> <p>Reduce recidivism</p> <p>Address victim needs</p>	Sanchez, Chavez, Courtney	October 2025
2	<p>Pretrial Detention</p> <p>Issue: 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> <p>Objective: Analyze the current judicial framework of re-offense risk assessments.</p> <p>Objective: 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>	<p>Stakeholders meetings</p> <p>Activity reports</p> <p>Report cards</p> <p>Recommended legislation.</p>	<p>Improved policy analysis</p> <p>Strengthened public confidence in the criminal justice system</p> <p>Enhanced budget recommendations</p>	Chavez, Sanchez, Courtney	November 2025
3	<p>Public Safety Grants</p> <p>Issue: 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</p>	<p>Activity reports</p> <p>Memos</p> <p>Budget recommendations</p>	<p>Successful implementation of programs to fund effective solutions to issues in the criminal justice system, including violent crime</p> <p>Law enforcement staffing shortages,</p>	Sanchez, Chavez, Klundt, Hilla	Ongoing

SECONDARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
	<p>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>Objective: 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>		<p>Law enforcement and public attorney training deficiencies</p> <p>Insufficient pretrial services and monitoring</p>		
4	<p>Criminal Justice Technology and Data Integration</p> <p>Issue: The use of technology and data in criminal justice including real time information, analytics, license plate readers and other tools have the potential to improve public safety outcomes. Data-based decision-making in the criminal justice system is improving and the state is continuing to invest in statewide technology solutions including intelligence led policing. However, historically 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>Objective: Monitor best practices and progress on use of technology in criminal justice and 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</p>	<p>Activity reports</p> <p>Stakeholder meetings</p> <p>Dashboards</p> <p>Budget narratives</p> <p>More informative criminal justice FIRs</p>	<p>Integrated data-sharing among justice partners</p> <p>Improved understanding of crime trends and their impact on costs to the criminal justice system (enforcement, adjudication, and incarceration)</p> <p>Improved data on how individuals navigate the criminal justice system</p> <p>Improved targeting of legislative efforts to reduce crime</p>	Sanchez, Chavez, Hilla	<p>Ongoing</p> <p>(2025 interim deliverables: activity reports, stakeholder meetings, and new/changed crime dashboard)</p>

SECONDARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
	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.				
5	<p>NMCD Facilities</p> <p>Issue: NMCD's facility capacity and design should be right sized to meet the needs of the those in state custody, 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. The agency received funding in FY25 for a facility master plan.</p> <p>Objective: Monitor NMCD's continuing efforts to redesign its facilities and the impact of classification system and other changes (including population declines, <i>Duran</i> settlement, etc.) on facility capacity usage.</p> <p>Objective: Evaluate the agency's usage of non-state-owned prison facilities.</p>	<p>Site visits</p> <p>Activity reports</p> <p>Budget narratives</p> <p>Budget recommendations</p>	Improved FY27 operating and capital budget recommendations	Sanchez, Carswell	Ongoing
6	<p>Medicaid Fraud Control Unit</p> <p>Issue: The U.S. Department of Health and Human Services Office of the Inspector General (OIG) released a report detailing data on case outcomes for Medicaid fraud control units (MFCU) from each state for FY24. The return on investment (ROI) on every grant dollar expended by the New Mexico Attorney General's (NMAG) MCFU returned \$0.02 in total recoveries. New Mexico ranks second to last in the country only trailing Hawaii in ROI for MFCU's in the country.</p> <p>Objective: Coordinate with the Attorney General to gain more understanding of the operations, case</p>	<p>Site visits, activity reports</p> <p>Budget narratives</p> <p>Budget recommendations</p> <p>Include an update on MFCU's performance in the Medicaid Accountability Report</p>	<p>Improved understanding of the operations and possible barriers to the performance of the Attorney General's Medicaid Fraud Control Unit</p> <p>Improved FY27 operating budget recommendation and narrative</p> <p>Draft legislation to bring New Mexico in compliance with the federal False Claims Act.</p>	Chavez, HHS team	December 2025

SECONDARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
	<p>management, issues, and other factors related to the performance of the Attorney General's MFCU.</p> <p>Objective: Evaluate how neighboring, demographically similar, and high performing states handle the operations of their MFCU.</p> <p>Objective: Provide updates to 2022 LFC progress report on Medicaid fraud.</p>				
7	<p>District Attorney Reporting</p> <p>Issue: District Attorneys began reporting average attorney caseload in FY24, a welcome performance measure enabling the Legislature to track judicial outcomes and attorney workload better. However, the caseload is not 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>Objective: Coordinate 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>	<p>Meetings with stakeholders</p> <p>Performance recommendations Measure</p> <p>Recommended legislation</p> <p>Activity Reports on how similar states DA's report data</p>	<p>A clearer picture of district attorneys and the caseloads</p> <p>Better data for analysis</p> <p>Initiation of transition to clearance rates by case type</p>	Chavez, Sanchez	December 2025
8	<p>Crime Reduction Grants</p> <p>Issue: Since the enactment of the Crime Reduction Grant Act in 2019, the Sentencing Commission has awarded millions in public safety grants intended to support innovative, evidence-based crime reduction strategies. However, oversight and evaluation of these grants remain minimal. The commission primarily uses funding to support recurring operational costs at courts and district attorney offices, with little demonstration of measurable outcomes. Grantmaking is treated as a</p>	<p>Activity report</p> <p>Performance recommendations measure</p> <p>Potential hearing brief</p> <p>FY27 budget recommendations</p> <p>Policy options to strengthen statutory reporting and evaluation requirements</p>	<p>Improved accountability and transparency in crime reduction grant spending</p> <p>Alignment of funds with evidence-based practices</p> <p>Stronger legislative oversight of public safety investments</p>	Sanchez	December 2025

SECONDARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
	<p>pass-through function, with limited transparency, inconsistent reporting, and no systematic analysis of impact on crime trends, public safety outcomes, or return on investment.</p> <p>Objective: Evaluate the commission's administration of crime reduction grants and identify gaps in performance tracking, reporting, and fiscal oversight.</p> <p>Objective: Develop recommendations for improving accountability, aligning spending with legislative intent, and requiring grantees to demonstrate the effectiveness of funded activities.</p>		Potential statutory or budget language to enforce performance evaluation standards		

Agencies: NMED, EMNRD, OSE, DGF

Analyst: Austin Davidson

PRIMARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Wildfire Season and Funding</p> <p>Issue: A dry winter, coupled with historic aridity across the state, in addition to above average temperatures, combine for a possibly dangerous fire season. To combat this, the Energy, Minerals and Natural Resources Department's State Forestry received a combined \$30 million for wildfire mitigation work, in addition to a \$1.2 million in recurring funding related to hotshot crews and operations costs.</p> <p>Objective: Monitor agency spending and results the stated purposes. Track usage of funds and review report created from use of funds. Discuss with Forestry Division additional avenues the state can explore regarding preventing and responding better to wildfires.</p>	<p>Activity report items</p> <p>Volume 1 and 2 discussions</p> <p>Brief and hearing on New Mexico's wildfire present and future</p> <p>Updates on the status of ongoing mitigation or suppression or post wildfire work.</p>	<p>Assurance funds are spent wisely and efficiently. Flexible and best practice solutions to ever-present wildfire issues.</p> <p>Accountability and oversight related to financial investment.</p> <p>Budget ecommendations to effectively place funds in areas of greatest need.</p>	Davidson	September/ Ongoing
2	<p>Potential Federal Funding Reductions</p> <p>Issue: Volatility at the federal level regarding federal funding could have significant impacts on the state's natural resource agencies. Nearly all of the agencies have seen substantial increases in federal dollars for multiple programs. If federal funding were cut or clawed back, it could impede current operations for multiple functions of the state's natural resource agencies.</p> <p>Objective: Identify programs substantially supported with federal funds, and for those programs, identify the potential loss of funds, the impact of that loss, and whether the program aligns with committee priorities.</p>	<p>Activity report items</p> <p>Volume 1 and 2 discussions</p> <p>Brief and hearing on the status of federal funding availability and usage</p>	<p>Assurance funds are spent wisely and for the stated purpose.</p> <p>Assurance operations of natural resource agencies, such as wildfire suppression, water quality work, and oil regulation are maintained.</p>	DFA, Davidson, Hilla	Ongoing/ August

3	<p>Strategic Water Supply</p> <p>Issue: The 2025 legislative session saw the passage of HB137, creating the strategic water supply and providing \$30 million for brackish water treatment projects and research. The state continues to look for new ways to bolster and grow its water supply, with brackish water being a possible avenue. Continuing the dialogue with NMED, OSE, and other stakeholders is essential to addressing the reality of the state projected to have 25 percent less water in less than 50 years.</p> <p>Objective: Monitor agency spending and results for the stated purposes. Meet with agencies, stakeholders and researchers to discuss new ventures regarding bolstering and growing the states water supply.</p>	<p>Activity report items</p> <p>Volume 1 and 2 discussions</p> <p>Brief and hearing on status of brackish water projects and research, new avenues for water supply augmentation, review of past legislation on the topic</p>	<p>Assurance funds are spent wisely and for the stated purpose</p> <p>Budget recommendations to effectively place funds in areas of greatest need</p> <p>Accountability and oversight related to significant financial investment</p>	NMED, OSE, Davidson	Ongoing
4	<p>Natural Resource Recurring and Nonrecurring Budgets</p> <p>Issue: The state's natural Resource agencies have received significant increases in recurring, nonrecurring, and GRO appropriations. The investments have been for a mixture of personnel and for operations expansion. In total, combined general funds of the natural resource agencies have grown by 123.8 percent since FY14.</p> <p>Objective: Monitor success and utilization of increased investment, assess utilization of nonrecurring appropriations, rate of completion for nonrecurring appropriations.</p>	<p>Activity Report items</p> <p>Volume 1 and 2 discussions</p> <p>Update on status of nonrecurring appropriation utilization</p>	<p>Assurance funds are spent wisely and for stated purpose.</p> <p>Accountability and oversight related to financial investment/</p> <p>Budget recommendations to effectively place funds in areas of greatest need.</p>	Davidson	Ongoing/ October
5	<p>Compact Litigation</p> <p>Issue: The <i>Texas v. New Mexico</i> lawsuit has entered potentially final stage of litigation, which will result in either trial or settlement. Additionally, discussion surrounding the Colorado River Compact are reaching a deadline, with possible implications for New Mexico's Rio Grande Compact compliance and water supply</p> <p>Objective: Monitor litigation; provide a comprehensive analysis of the outcome, money spent on litigation, and implications for future water use in New Mexico. Coordinate with OSE on progress.</p>	<p>Activity report items</p> <p>Budget recommendations, Volume 1 discussion</p>	<p>Information for Legislature regarding actual cost and policy implications of case outcome</p> <p>Improvement in interstate water deliveries</p>	Davidson, OSE	Ongoing

SECONDARY ISSUES

Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Performance Measures</p> <p>Issue: OSE performance measures do not completely capture 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>Objective: 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
2	<p>Federal Land Protections</p> <p>Issue: The removal of protections on federal land by the federal administration, in particular the state's Upper Pecos, opens up the state to expanded mining exploration. Due to the state's high reserves of uranium, copper, coal, potash, and other industrial metals, increased mining in the state could potentially create increased revenue and heightened risk of contamination.</p> <p>Objective: Work with Bureau of Geology and Mining and Minerals Division of EMNRD to evaluate current mining regulation. Create strategic plan for how the state can anticipate and adapt to potential expansion of mining.</p>	<p>Activity report items</p> <p>Volume 1 and 2 discussions</p> <p>Brief and hearing on the past, present, and future of mining in the state</p>	<p>Pertinent information and policy recommendations to protect and enable the state</p> <p>Budget recommendations</p>	Davidson	Ongoing
3	<p>Carbon Sequestration and Stewardship</p> <p>Issue: In the 2025 regular session, the Legislature passed House Bill 458, which created the Geologic Carbon Dioxide Long-Term Stewardship Act and fund, providing a new path for the state deep carbon storage. Monitoring the promulgation of rules, regulations, and the utilization of the 10-cent flat fee per ton of carbon stored, is key to understanding how the bill could impact the state's energy future</p> <p>Objective: Develop expertise on carbon sequestration, existing best practices, and monitor promulgation and implementation of act.</p>	<p>Activity report items</p> <p>budget recommendations</p> <p>Volume 1 and Volume 2 discussion</p> <p>Brief on status of carbon sequestration.</p>	Assurance funds are spent wisely and for stated purpose	Davidson	August
4	<p>Orphaned Well Plugging</p> <p>Issue: The state's Oil Conservation Division plugs an average of 70-105 wells a year, well behind the project 2,000 orphan wells the agency has identified. Work done by the LFC's Program Evaluation team has found this number could be significantly higher and could grow, increasing the potential environmental and financial liability for the state.</p> <p>Objective: Utilize program evaluation report's recommendations to update the state's well plugging abilities, work with agency to improve agency performance.</p>	<p>Volume 1 and 2 discussion</p> <p>Budget Recommendations</p>	Budget recommendations to effectively place funds in areas of greatest need	Davidson, Dodson, Joyce	Ongoing

5	<p>Department of Game and Fish Transition</p> <p>Issue: The Department of Wildlife, previously the Department of Game and Fish, was updated in multiple ways from Laws 2025 Chapter 6.</p> <p>Objective: Monitor and collaborate as department transitions, meet weekly with previous analyst and monthly with new agency to get up to speed with key issues and important policy areas.</p>	<p>Memo on integration and transition created by Laws 2025 Chapter 6</p> <p>Volume 1 and 2 discussion</p>	<p>Better informed decisions on all issues concerning department financing and management of wildlife.</p>	<p>Davidson, Gaussoin</p>	<p>Ongoing</p>
6	<p>Capital Projects Monitoring update</p> <p>Issue: 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>Objective: Examine and report on the progress of stalled capital outlay projects relating to natural resources.</p>	<p>Activity report items, budget recommendations</p> <p>Volume I and II discussion items.</p>	<p>Ensure funds are spent wisely and for the stated purpose.</p> <p>Information regarding project progress.</p>	<p>Davidson, Carswell, Ortega</p>	<p>September</p>
7	<p>Department of Wildlife Land Purchases</p> <p>Issue: The Department of Wildlife combined game protection funds with ARPA funds, intended to serve the species of greatest conservation need, and other federal funds to purchase the 54-thousand-acre L Bar ranches. The department received a \$7 million special appropriation during the 2023 session with few constraints. Although that money is intended to offset revenue that would have been raised if higher hunting and fishing fees had been approved during the session, the money could be used to make additional land purchases.</p> <p>Objective: Monitor agency budget for land purchases and success of program.</p>	<p>Activity Report items</p> <p>Volume 1 and 2 discussions</p>	<p>Better information for future agency budget decisions</p>	<p>Davidson</p>	<p>Ongoing</p>

2025 INTERIM WORK PLAN SUMMARY

Workforce and Economic Development

Julisa Rodriguez and Rachel Mercer Garcia

Agencies: NMBA, NMTD, EDD, PRC, OSI, Cumbres and Toltec, OMBP, NMSA, DCA, WSD

Analysts: Julisa Rodriguez and Rachel Mercer Garcia

PRIMARY ISSUES					
Rank	Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Labor Force Participation</p> <p>Issue: As of March 2025, New Mexico's labor force participation rate is 57.4 percent—the same rate as March 2024, 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>In recent years, the Legislature has made significant investments to increase participation in the labor force. During the 2025 session, the Legislature appropriated \$31.1 million in nonrecurring, special appropriations to address low workforce participation and create opportunities for workforce training. These investments build upon 2024 GRO appropriations which also aimed to bring workers into the labor force and provide training and apprenticeship opportunities.</p> <p>Objective: Update analysis about sub-populations related to labor force participation; inventory and summarize the performance of programs intending to improve workforce participation, and review the results of the WSD labor force participation survey to develop strategies to improve labor force participation</p> <p>Objective: Monitor and track the implementation and outcomes of GRO and other special appropriations intended to improve the state's labor force participation and bring disengaged workers into the labor force.</p>	<p>LegisStat hearing</p> <p>Activity reports and volume write-ups</p> <p>Recommendations to improve programs and strategies targeting disengaged workers</p>	<p>Increased labor force participation</p> <p>Oversight and accountability associated with WSD appropriations</p> <p>Information for FY28 budget recommendations (first year following end of GRO appropriations) and FY27 budget</p>	<p>Garcia</p> <p>Garcia/Klug</p>	<p>November 2025</p>

2	<p>Monitor Core Program Operations and Federal Funds</p> <p>Issue: WSD operates a few core labor-related programs, including unemployment insurance and enforcement of labor laws. Following the pandemic, employment is at a record level and unemployment claims remain at low levels. However, several performance measures related to these programs, including time to process claims accurately, are very low. Amidst federal and economic uncertainty, New Mexico could experience an increase in claims and loss of federal funds, which could further impact the performance of these programs.</p> <p>Objective: Monitor the performance of WSD core programs, including unemployment insurance and labor relations.</p> <p>Objective: Identify programs substantially supported with federal funds and, for those programs, identify potential changes and results of those changes and whether funding for the program aligns with committee priorities.</p>	Activity reports and report cards	<p>More effective and efficient operations of core programs</p> <p>Identification of financial risks related to core WSD programs to inform FY27 operating budget</p>	Garcia	November 2025
3	<p>Funding for Science and Technology Sectors</p> <p>Issue: EDD has received significant appropriations to help spur growth in the science and technology sectors. Appropriations include a \$50 million appropriation during the 2023 session for advanced energy, an increase of \$5 million in the agency's recurring budget during the 2024 session, and approximately \$82 million during the 2025 session for a variety of programs and supports.</p> <p>Objective: Monitor expenditure of recent science and technology related investments.</p> <p>Objective: Monitor outcomes of appropriations in terms of sector growth, employment, and wages.</p> <p>Objective: Monitor quantum funding and development of industry and provide a pathway to expand the quantum and advanced energy economy in New Mexico.</p>	<p>LegisStat with EDD on outcomes of science and technology appropriations</p> <p>Activity report items</p>	<p>Oversight and accountability of EDD appropriations</p> <p>Inform action for FY27 budget recommendations</p>	Rodriguez	November 2025

4	Infrastructure-Related Investments Issue: The state now has a variety of tools to support infrastructure for economic development purposes, including the Local Economic Development Act, opportunity enterprise fund, and Trails+ grant program. During the 2025 session, the Legislature passed legislation and appropriated approximately \$180 million for infrastructure and quality of life, including \$50 million for the trade ports fund, \$24 million for site readiness, \$10 million for Trails+, and \$10 million for a quantum space. Objective: Monitor implementation of new programs, specifically tied to the Trade Ports Development Act and site readiness. Objective: Monitor outcomes of appropriations, such as LEDA and Trails+.	LegisStat with EDD on infrastructure-related investments Activity report items	Oversight and accountability of EDD appropriations Inform action for FY27 budget recommendations	Rodriguez	November 2025
5	Federal Funding Issue: Amidst federal uncertainty, agencies may see decreases and cuts in federal funding, which could affect agencies' performance and duties. Objective: Identify programs substantially supported with federal funds and, for those programs, identify potential changes and results for those changes and whether funding for the program aligns with committee priorities.	Activity report	Inform action for FY27 budget recommendations	Rodriguez	Ongoing

SECONDARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	Property Insurance Issue: Between 2020 and 2023, home insurance premiums in New Mexico rose by an average of 16 percent, ranging from 7.3 percent to 47.4 percent by county. Rates are expected to keep rising due to a combination of an increase of natural disasters, more costly home repairs, and inflation. The Legislature appropriated \$12 million to the Office of Superintendent of Insurance (OSI) to study and address property insurance in New Mexico, including \$10 million for the Fair Access to Insurance Requirements (FAIR) program for mitigation, insurance needs, and initiatives statewide and \$2 million to study the property insurance market. Objective: Monitor property insurance rates in New Mexico. Objective: Work with OSI to understand implementation of both appropriations.	Hearing brief or bullets Activity report items	Assessment of property insurance trends in New Mexico and country Understanding of appropriations related to property insurance	Rodriguez	Ongoing

2	<p>Microgrids in New Mexico</p> <p>Issue: The Legislature passed House Bill 93 (Laws 2025, Chapter 93) that allows public utilities to acquire microgrid resources or energy and use them for retail, wholesale, or self-generation services, subject to approval by PRC. The generation of resources or energy will not be considered retailed sales under the renewable portfolio standards until 2035, whether the electricity is used within the microgrid to serve its own needs or purchased by the utility to provide service to customers.</p> <p>Objective: Understand how the exception to RPS will affect the state's renewable energy goals.</p> <p>Objective: Monitor growth of microgrids in New Mexico and how often regulated public utilities acquire their resources or energy.</p> <p>Objective: Study how other states have implemented microgrids into their electric infrastructure, and how energy is used by public utilities and other parties.</p>	Legislative brief, memo	Understanding of implementation and use of House Bill 93	Rodriguez	Ongoing
3	<p>Community Solar Program</p> <p>Issue: The Legislature passed the Community Solar Act in 2021. Since then, PRC has selected 47 projects, with a couple breaking ground. The Legislature appropriated \$700 thousand of one-time funding to PRC to administer the program, which, to date, has been funded through application fees from developers. The agency notes the one-time application fees are insufficient for the agency to administer the program.</p> <p>Objective: Monitor progress of implementation of the community solar program, specifically as developers start seeking participants of the program.</p> <p>Objective: Study how other states fund the program, whether based on application fees or alternative funding mechanisms.</p>	Hearing brief, memo	Record if ongoing implementation of community solar	Rodriguez	August 2025
4	<p>Alternative Funding for PRC</p> <p>Issue: For FY26, a majority of PRC's recurring budget consists of general fund revenue. However, the Legislature passed Senate Bill 535 (Laws 2025, Chapter 84) that increases PRC's inspection and supervision fees, charged to the utilities it supervises, from 0.506 percent to 0.59 percent of gross receipts, and creates an automatic annual increase based on a cost index. The increase sets the increase in revenue that would be generated by the increased inspection and supervision fee at about 16.4 percent. Based on projected revenue for FY26 and with the annual increase allowed under SB535, LFC projects fee revenue would grow by \$5.8 million by FY29, or approximately a total of \$22.2 million. Currently, these fees are directed to the general fund.</p> <p>Objective: Study how other states fund public utility commissions, and whether fees collected are diverted to general fund or collected in a separate fund intended to cover the cost of regulation.</p>	Memo, activity report	Inform FY27 budget recommendations	Rodriguez	November 2025

2025 INTERIM WORK PLAN SUMMARY

General Government

Emily Hilla

Agencies: DFA, DoIT/OBAE, SOS, STO, CPR, Governor, Lieutenant Governor

Analyst: Emily Hilla

PRIMARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Housing, Homelessness, and the Community Benefit Fund</p> <p>Issue: The Department of Finance and Administration (DFA) has received \$344.4 million for various initiatives, including \$121 million in special nonrecurring appropriations for various housing initiatives, including homelessness, and \$223.4 million for the creation of the community benefit and innovation in state government funds. Monitoring and evaluating these initiatives can help ensure these programs have the intended impact.</p> <p>Objective: Monitor DFA's process for managing, allocating, and overseeing nonrecurring funding for the newly created funds and housing appropriations. Report on progress and outcomes of state, federal, and other funding initiatives.</p>	<p>Measurable benchmarks of success of new programmatic implementation, such as creation of performance measures</p> <p>Activity reports</p> <p>Volume 1 publications</p> <p>Accountability status report</p>	<p>More efficient administration of state funding to match legislative intent on the state and local level.</p> <p>Improved oversight and accountability over state funds</p>	<p>Hilla</p> <p>HHS Analysts</p>	Ongoing
2	<p>Broadband and Cybersecurity</p> <p>Issue: The Office of Broadband Access and Expansion (OBAE) and the Cybersecurity Office, both administratively attached to the Department of Information Technology, have received ample state and federal funds for broadband expansion and cybersecurity initiatives. However, both offices have seen little to no movement of funds and little realization of tangible state benefits.</p> <p>Objective: Monitor and track OBAE and cybersecurity spending on federal and state-funded projects and evaluate progress on reaching statewide connectivity goals and evaluate progress with cybersecurity needs assessments, upgrades, and project management services.</p> <p>Objective: Monitor cybersecurity threats and identify opportunities to fortify the state's cybersecurity infrastructure and response mechanisms.</p>	<p>Activity reports</p> <p>Volume I publications</p> <p>Hearing brief</p> <p>Site visits</p>	<p>Keep legislators and stakeholders informed on key broadband and cybersecurity decisions and accomplishments; Informed budget recommendations; Accurate tracking and reporting on broadband funds and initiatives. Tracking of federal funds</p>	Hilla	Ongoing

3	Medicaid Management Information System replacement Issue: The Health Care Authority's (HCA) Medicaid management information system replacement (MMISR) IT project is expected to cost approximately \$830 million over several years in recurring and nonrecurring funding. MMISR is associated with HHS 2020 and combines IT system modules for use by HCA, DOH, CYFD, and ALTSD. Objective: Monitor 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.	Report on MMISR Activity reports Budget recommendation	Inform policymakers	Hilla/Chenier	Ongoing
4	Child Support Enforcement Replacement Project Issue: The HCA's Child Support Enforcement Replacement Project (CSESR) started in 2013 and is expected to close-out in 2029, despite costing an estimated \$109 million in state and federal funds. CSESR is to replace HCA's legacy child support system, however, little progress has been made along with federal guidance changes. Objective: Track CSESR progress implementation. Track spending of state and federal funds. Monitor system transparency and functionality. Convene quarterly CSESR update meetings. Attend all PCC meetings. Collaborate with HCA and DoIT on CSESR IV&V status, timelines, and federal funding outlook.	Report on CSESR	Better decision making	Hilla/Chenier	Ongoing

SECONDARY ISSUES					
Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	IT Projects Issue: The state has approximately 60 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. Objectives: Monitor, oversee and report on the status of ongoing and new IT projects. Assist DoIT in modernizing its project management office procedures.	Quarterly IT report cards Report to Science, Technology and Telecommunication Committee and Project Certification Committee Activity reports	Proposed language in the GAA that could improve IT oversight, efficiency and accountability Informed IT funding recommendations	Hilla Related analysts	Ongoing

2	<p>Election Costs</p> <p>Issue: By statute, the Secretary of State (SOS) is required to reimburse counties for eligible election costs. Laws 2024, Chapter 24, allows SOS to request up to \$15 million for reimbursements of election costs to local governments. Laws 2025, Chapter 54, creates semi-open primary elections, which are expected to contribute to higher costs of elections.</p> <p>Objectives: Monitor election systems and election costs following LFC program evaluation results. Determine budgetary needs in future years.</p>	<p>Review election costs and budget estimates for each election type</p> <p>Memos and Activity Reports</p> <p>FY27 budget recommendation</p>	<p>Informed budget recommendations; Improved understanding of election costs and of local government election needs/spending; Greater transparency surrounding election costs and funding streams.</p>	<p>Hilla</p> <p>LFC Evaluation Team</p>	<p>Ongoing</p>
3	<p>Other work:</p> <ul style="list-style-type: none"> - Information technology reports & funding issues - DFA contract reporting & special appropriations - Local government relations & meeting materials - Elections issues - Monthly meetings - Board of Finance, Project Certification Committee, Connect New Mexico Council, Cybersecurity planning council -State Treasurer LGIP updates 	<p>FY27 budget recommendations</p> <p>Activity reports/memos</p>		<p>Hilla</p>	<p>Ongoing</p>

2025 INTERIM WORK PLAN SUMMARY

General Government

Antonio Ortega

Agencies: OSA, IAD, MFA

Analyst: Antonio Ortega

PRIMARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Small Local Public Bodies Financial Compliance</p> <p>Issue: New Mexico's small local public bodies (SLPBs) struggle to meet financial compliance requirements, delaying access to capital outlay and other critical state funding. These entities, often managed by volunteers with limited expertise, face challenges in completing required audits and financial reviews. As a result, during the 2025 legislative session, the Office of the State Auditor (OSA) received a \$1 million special appropriation to support initiatives that will address these issues.</p> <p>Objective: Track spending and monitor the impact of the \$1 million special appropriation to support SLPBs initiatives and provide updates on compliance progress and funding accessibility for SLPBs.</p> <p>Objective: Explore the impact of codifying Executive Order 2013-006 through the Public Finance Accountability Act on financial audit compliance and the timely release of capital outlay funds.</p>	<p>Activity reports</p> <p>Budget narratives and recommendations</p>	<p>Improved financial compliance and access to capital outlay awards for SLPBs</p> <p>Proper utilization of funds</p>	Ortega	June 2026
2	<p>Statewide Single Audit Planning and Reform</p> <p>Issue: Although New Mexico requires most public entities to conduct full financial audits, it is the only state that does not require a statewide federal single audit or state agency singular audit. Currently, the state relies on manually compiled data from approximately 130 separate audits conducted by various independent public accountants (IPAs), resulting in an inefficient and costly process. To address this, the Office of the State Auditor (OSA) received a \$500 thousand special appropriation during the 2025 legislative session to develop a plan for migration to a single audit system.</p> <p>Objective: Provide updates on the status of the \$500 thousand appropriation and share findings and recommendations for implementing a statewide single audit system.</p> <p>Objective: Track spending for the initial \$100 thousand special appropriation from 2023 for a statewide single audit study.</p>	<p>Activity reports and hearing briefs</p>	<p>Streamlined audit process</p>	Ortega	June 2026

3	<p>Energy Transition Indian Affairs Fund Expenditures</p> <p>Issue: Tribal communities encountered economic hardship and environmental health concerns following the San Juan generating station closure. The Indian Affairs Department (IAD), which manages and allocates funding from the energy transition Indian affairs fund, was appropriated \$2.5 million from the fund in FY23. However, the expenditure deadline has been extended through FY26 because funding remains unspent.</p> <p>Objective: Track spending and monitor the impact of the \$2.5 million appropriation and provide the Legislature with updates on fund utilization and the effectiveness of economic and workforce development efforts.</p>	<p>Activity reports and hearing briefs</p> <p>Budget narratives and recommendations</p>	<p>Timely and effective allocation of energy transition Indian affairs fund resources to support economic recovery and environmental health initiatives for impacted tribal communities</p>	<p>Ortega, Rodriguez, Mercer Garcia, Klug</p>	<p>June 2026</p>
4	<p>Community Planning for Nations, Tribes, and Pueblos</p> <p>Issue: Many of New Mexico's Indian nations, tribes, and pueblos (NTPs) lack the resources needed for comprehensive community planning, which can be costly and time-intensive, often requiring external expertise. To address this need, the Indian Affairs Department (IAD) received a \$500 thousand special appropriation during the 2025 legislative session to assist NTPs in developing these plans.</p> <p>Objective: Monitor the allocation and impact of the \$500 thousand special appropriation to ensure funds are used effectively to assist NTPs in planning efforts and provide updates on progress, challenges, and outcomes related to comprehensive community planning initiatives.</p>	<p>Activity reports and hearing briefs</p> <p>Budget narratives and recommendations</p>	<p>Support for developing plans and enhanced long-term decision-making for NTPs economic development, infrastructure, and social services</p>	<p>Ortega, Klug</p>	<p>June 2026</p>
6	<p>Tribal Project Funding Implementation</p> <p>Issue: In 2023, the Legislature appropriated \$25 million for various tribal projects, including federal infrastructure grant matching, Native American education initiatives, and the expansion of tribal-serving healthcare and behavioral health services. Due to the complexity of project implementation and the time required to secure federal matching funds, the expenditure deadline was extended through FY26 during the 2025 legislative session, because funding remains unspent.</p> <p>Objective: Monitor the expenditure of funds, track progress of projects, and provide updates on project implementation and outcomes.</p>	<p>Activity reports and hearing briefs</p>	<p>Successful implementation of tribal projects</p>	<p>Ortega, Klug</p>	<p>June 2026</p>
7	<p>State Fair</p> <p>Objective: Status on master planning</p>				

2025 INTERIM WORK PLAN SUMMARY

General Government

Noah Montano

Agencies: TRD, SIC, AHO, Boards and Commissions, GCB, SRC, RLD

Analyst: Noah Montano

PRIMARY ISSUES					
Rank	Issues/ Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>SIC Permanent Funds and Staffing Plan</p> <p>Issue: The State Investment Council (SIC) permanent funds will be affected by the federal administration's mandate to implement tariffs on every country. Since the idea of worldwide tariffs has been proposed, the state's permanent funds have seen a decline of \$1 billion. Before this event, the severance tax permanent fund only saw a 12 percent increase over the last five years and is performing significantly worse than the S&P 500 and Dow Jones. Additionally, SIC was appropriated additional money in the personal services and employee benefits category to hire more employees to invest more internally and rely less on contracted investment managers.</p> <p>Objective: Address possible solutions to prevent a short-run decline in performance for the state's permanent funds and highlight the possible long-term effects that might arise from potential federal policy changes.</p> <p>Objective: Evaluate SIC's current investment practices and compare them with other state ran permanent funds (Alaska) to analyze if SIC current practices are aligned with best practice.</p> <p>Objective: Monitor whether SIC makes improvements in investing in-house rather than relying on contracted consultants.</p>	Activity report items	<p>Reduce potential damage from federal policy for the state's permanent funds</p> <p>Improved investment portfolios that maximize investment growth for the state's permanent funds</p>	Montano	Ongoing
2	<p>Healthcare Licensure</p> <p>Issue: There was an influx of proposed legislation focused on including New Mexico in a multitude of healthcare-related professional license compacts to improve New Mexicans access to healthcare.</p> <p>Objective: Determine the benefits of New Mexico joining these nationwide compacts and if it is beneficial to join all the compacts, only a few, or none.</p> <p>Objective: Determine if the requirements for a professional to be a part of the nationwide compact are in line with the requirements to becoming a professional in New Mexico.</p>	<p>Research materials</p> <p>Activity reports</p>	Improved understanding if New Mexico should join any of these nationwide compacts	Montano	October

3	Collectible Audit Assessments Issue: 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. Objective: 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.	Reporting through quarterly report card	Improved oversight and monitoring of key performance metrics	Montano	October

SECONDARY ISSUES					
Rank	Issues/ Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	Federal Funding Issue: The federal administration has proposed funding cuts for many state departments. These cuts would primarily affect the Tax Administration and Motor Vehicle Programs in the Taxation and Revenue Department (TRD), the Manufactured Housing Program in the Regulation and Licensing Department (RLD) and funding from the federal jockey insurance fund for the State Racing Commission (SRC). Objective: Identify programs substantially supported with federal funds and, for those programs, identify the potential for the loss of funds, the impact of that loss, and whether the program aligns with committee priorities.	Possible brief Research materials FY27 budget recommendation	Clear understanding of the available funds for these agencies Information for the Legislature on ways to effectively replace federal funding cuts Possible legislation for 60-day session to change statute for existing funds	Montano	October
2	RLD GRO Appropriations Issue: RLD was appropriated two three-year GRO appropriations for FY26. The purpose of this GRO funding is to improve the Cannabis Control Program's ability to regulate the recreational cannabis market in New Mexico. The majority of this GRO funding is recurring funding in the personal services and employee benefits category for peace officers and compliance officers, which will require future recurring funding. Objective: Evaluate how effective these new positions are at regulating the market for recreational cannabis. Objective: Determine if these positions should be funded after the three-year GRO appropriation ends.	Activity report Possible brief	Increased regulation of the state's cannabis industry	Montano	Ongoing

3	<p>Nonrecurring Funding – Special and Supplemental Appropriations</p> <p>Issue: Excluding GRO appropriations, TRD received the most nonrecurring funding through special appropriations that provide TRD access to a fund to use up to \$5 million for tax changes adopted through passed legislation and an IT request to update TRD's system of record. The Gaming Control Board (GCB) and the Administrative Hearings Office (AHO) both received supplemental funding for FY25. AHO received additional funding to update technology for its employees, but GCB required additional funding to continue its operations for FY25.</p> <p>Objective: Monitor whether TRD can effectively use the nonrecurring funding to implement tax changes and update its system of record.</p> <p>Objective: Highlight the reasons GCB overspent its operating budget for FY25 to evaluate whether this will be a one-time occurrence or if current business practices will continue to lead to GCB requiring supplemental funding.</p>	<p>Activity report</p> <p>Possible brief</p> <p>FY27 budget recommendation</p>	<p>Information for the Legislature and more effective use of funds</p> <p>Possible legislation for 60-day session</p>	Montano	October
4	<p>The Manufactured Housing Division's use of the Mortgage Regulatory Fund</p> <p>Issue: The Manufactured Housing Division (MHD) of RLD was created in 2022 and has been funded through the mortgage regulatory fund. The mortgage regulatory fund also has a statutory obligation to fund the Financial Institutions Division of RLD and has been overburdened and is close to being depleted. RLD requested to fund MHD's entire operations for FY26 with general fund revenue, but other options should be evaluated.</p> <p>Objective: Evaluate if and how much revenue MHD generates and returns to the mortgage regulatory fund.</p> <p>Objective: Determine if there are different funds that can support MHD or if a new fund needs to be created.</p>	<p>Activity report items</p> <p>Volume 1</p> <p>Volume 3</p> <p>FY27 budget recommendation</p>	<p>Reduce stress on the mortgage regulatory fund by finding a different avenue to fund MHD</p>	Montano	October
5	<p>Horseracing Industry</p> <p>Issue: Numerous legislative proposals would have altered horse racing statute to attempt to generate more revenue whilst keeping operation costs at a minimum. The proposed legislation related to increasing the number of live racing days and changing simulcasting laws. However, these propositions would increase operation costs and would have decreased the total revenue generated from the casino portions of the racetracks.</p> <p>Objective: Identify possible solutions to improve the current industry that do not involve increasing operational costs and do not reduce revenue generated from current simulcast laws.</p> <p>Objective: Evaluate the total pool of racehorses eligible to participate in New Mexico horse races.</p>	<p>Activity report items</p> <p>Possible brief</p>	<p>Increased revenue from horse racing within current operational costs</p>	Montano	October

6	<p>Board of Veterinarian Medicine Budget Deficit</p> <p>Issue: The Board of Veterinarian Medicine (BVM) has not generated enough fee revenue and will see a budget shortfall in FY25. BVM is required by statute to inspect every animal shelter and veterinarian office but has not had sufficient funding to hire or contract for these services. BVM has not been reliant on general fund revenue but required general fund revenue through a special appropriation to fulfill its statutory obligation for inspections.</p> <p>Objective: Identify if the recent fee increases can sufficiently fill the agency's budget shortfall.</p> <p>Objective: Determine if BVM will require general fund support in the future and determine how long this support will be needed.</p>	<p>Activity report items</p> <p>Possible brief</p>	<p>Understanding of BVM's current budget situation and determine ways to support the agency's operations while minimizing the need for general fund revenue</p>	<p>Montano</p>	<p>October</p>
7	<p>Sunset Review Process</p> <p>Issue: During the legislative session, the Sunset bill was amended to extend the sunset expiration date of five boards and commissions by ten years instead of six years. There was also discussion about extending the sunset date of the spay and neuter fee that has its sunset date at the start of FY27, which may require an additional sunset bill in the FY26 Legislative Session.</p> <p>Objective: Determine which boards, commissions and fees have a sunset date in FY26. Also, determine if extending sunset dates by ten years instead of six years should be the norm.</p>	<p>Sunset Review Questionnaire</p>	<p>Timeline of target deadlines: statutory review, notify agencies, subcommittee schedule, committee sponsored legislation</p>	<p>Montano</p>	<p>October</p>

2025 INTERIM WORK PLAN SUMMARY

Transportation and Compensation

Joseph Simon

Agencies: NMDOT, GSD, SPO, ERB, PERA, NMPSIA

Analyst: Joseph Simon

PRIMARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Transportation</p> <p>Issue: The Department of Transportation's revenue sources are expected to experience only modest growth over the next few fiscal years, with year-over-year increases averaging less than 2 percent between FY26 and FY29. The department is now more dependent than ever on revenues that vary with national consumption, exposing the department to increased revenue risks from a recession or changes in global trade. The department's construction budget is largely dependent on federal funds, which could be under pressure from federal budget cuts. At the same time, the department faces increased costs of materials and labor, limiting the amount of construction and maintenance activity the department can complete with limited resources.</p> <p>Objective: 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>Objective: Status update on road conditions statewide.</p> <p>Objective: Identify long term revenue source opportunities for roads.</p>	<p>Staff support for items on the workplan adopted by the Transportation Infrastructure Revenue Subcommittee and Federal Funding Stabilization Subcommittee</p> <p>Quarterly reporting on major investment projects throughout New Mexico</p> <p>Transportation Commission meetings</p> <p>Activity reports and policy brief</p>	<p>Improved project oversight and transparency for road projects</p>	Simon	Ongoing
2	<p>Capital Outlay</p> <p>Issue: Capital investments in state facilities have grown, allowing the Facilities Management Division (FMD) of the General Services Department to open and begin planning or construction of new facilities, with the potential to shift some state agencies from leased space to state-owned space. Updated master planning is needed for Santa Fe and Albuquerque state government facilities to identify future occupants and to manage the growth in FMD's operating budget, which has a direct impact on the general fund.</p> <p>Objective: 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>Facilities meetings between state agencies and the Facilities Management Division</p> <p>Analysis of space needs for state agencies in other cities</p> <p>Activity reports</p> <p>Oversight Issues for Volume 2 Charts/graphs for Volume 3</p> <p>Quarterly performance</p>	<p>Increased efficiency of state space utilization</p> <p>Improved understanding of the capital needs of state agencies</p> <p>Clarity on plans for the executive office building and its ripple effects on office space in Santa Fe</p>	Simon/Capital Outlay Team	Ongoing

3	<p>State Personnel</p> <p>Issue: 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 implementation of a new classification plan and salary schedule beginning in FY26, SPO will shift to maintaining the classification system, with regular reviews of job families and assigned pay bands to ensure the state does not fall behind the broader job market. To accomplish this, the Legislature provided SPO with appropriations from the government results and opportunity fund to implement the new classification plan.</p> <p>Objective: Work with DFA and SPO to determine performance measures and evaluation plans for GRO appropriations. Provide staff support for analyzing agency personnel budget requests for FY27 in light of recent changes.</p> <p>Objective: Aligning 'new economy' demands with job description, creation, and appropriate compensation and benefit package. Provide status and roadmap related job architecture work.</p>	<p>Performance metrics associated with GRO appropriations</p> <p>Personnel Board meetings</p> <p>Monthly headcount reports</p> <p>Activity reports</p> <p>Interim policy briefs</p>	<p>Compensation package recommendation</p> <p>Identification of high value, high turnover positions</p>	Simon	Fall 2025
4	<p>Risk Management</p> <p>Issue: 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. Additionally, the Legislature has included several special appropriations</p> <p>Objective: 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 risk management rates</p>	Simon	Fall 2025
5	<p>Public School Health Insurance</p> <p>Issue: In 2025, the Legislature passed a bill to increase the share of state employees' health insurance paid by the employer to 80 percent for all employees. However, the bill did not increase the minimum amount school districts are required to pay.</p> <p>Objective: Work with staff of the Public School Insurance Authority to determine potential costs of expanding public school coverage to 80 percent of total premium.</p> <p>Objective: Create a pathway for optimizing public school health insurance programs, including the possibility of merging insurance programs to create economies of scale.</p>	<p>Activity reports</p> <p>Interim policy briefs</p>	<p>Recommendation for public school insurance for FY27</p> <p>Possible committee-endorsed legislation</p>	Simon	Fall 2025
6	<p>Performance Reporting</p> <p>Issue: For several years LFC analysts have written quarterly report cards on agency performance for the committee, Legislature, and the public. While these reports provide valuable performance data their format—written documents—is limiting. LFC staff have begun experimenting with ways to build on this reporting</p>	<p>Quarterly performance report updates</p>	<p>Increased focus on agency performance and how agency budgets are prioritized to improve outcomes for New Mexicans</p>	Simon; Analysts	Quarterly additions with final completion during the 2026 Interim

	<p>and share more historical performance information. This led to the creation of an interactive dashboard for one agency for the first quarter of FY25. A second agency dashboard was added for the second quarter of FY25.</p> <p>Objective: Transition of 2-3 quarterly report cards to interactive online dashboards each quarter.</p>				
7	<p>State Fund Transparency</p> <p>Issue: In recent years, the Legislature has created a number of special funds and seeded those funds with general fund revenue and during the 2025 session the Legislature unanimously passed a bill that would have required additional transparency around special funds outlined in state law. While that bill was vetoed, information on the number, purpose, and uses of special funds is of increased importance to the annual budget process and increased reporting on these sources would increase transparency of the state budget.</p> <p>Objective: Develop online dashboards for state agency funds that include the purpose of the fund, explanation of revenue sources and uses of the funds.</p>	Interactive reports on the purposes, revenue sources and expenditure amounts of special state funds	Increased transparency of all funding available to state agencies for appropriation	Analysts	Ongoing
8	<p>Pensions</p> <p>Issue: 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.</p> <p>Objective: Remain up to date on issues involving public employee pensions.</p> <p>Objective: Solvency of funds.</p> <p>Objective: Comparative analysis of retiree compensation levels and utilization of other poverty level programs offered by the state (e.g. Medicaid, retiree healthcare, etc). Provide projections of retiree compensation changes when stacked with all other available benefits.</p>	<p>Staff support for items on the workplan adopted by the Investment and Pensions Oversight Committee</p> <p>Policy analysis on proposals that could significantly impact state finances</p> <p>Investment performance and funding status updates</p>	<p>Better program understanding and more informed budget recommendations.</p> <p>Activity reports</p>	Simon	Ongoing
9	<p>State Vehicles</p> <p>Issue: An executive order requires state agencies to shift its 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.</p> <p>Objective: Monitor implementation of zero-emission vehicle executive order and analyze budget and capital outlay needs around the transition.</p>	<p>Develop updated performance metrics for the General Services Department and Department of Transportation in alignment with new purchasing standards.</p> <p>Quarterly performance report updates</p>	<p>Better program understanding and more informed budget recommendations.</p> <p>Activity reports</p>	Simon	Ongoing

SECONDARY ISSUES

1	<p>Monitor effectiveness of enterprise services:</p> <ul style="list-style-type: none"> • State fleet operations; • Surplus property sales; • State printing and graphics services. 	<p>Identify policies and practices that may negatively impact operations</p> <p>Monitor operating revenues and expense from enterprise</p>	Better program understanding and more informed budget recommendations	Simon	Ongoing
2	<p>Attend meetings of relevant agency boards, commissions, and task forces:</p> <ol style="list-style-type: none"> 1. Transportation Commission 2. Personnel Board 3. Public Employees Retirement Association 4. Educational Retirement Board 5. Retiree Health Care Authority 6. Interagency Benefits Advisory Council 7. Risk Management Advisory Board 8. Public Employees Labor Relations Board. 	<p>Ongoing updates</p> <p>Activity reports</p>	Better program understanding and more informed budget recommendations.	Simon	Ongoing

2025 INTERIM WORK PLAN SUMMARY

Economists

Ismael Torres, Jennifer Faubion, Brendon Gray

PRIMARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	Economic Development Tax Incentives Monitoring Issue: Spending on economic development tax incentives doubled in FY24, reaching \$578.7 million, making it the third largest state agency by funding if appropriated general fund revenue. The state lacks comprehensive evaluation and monitoring of these spending priorities. Objective: Improve legislative monitoring of these expenditures through routine analysis and economic impact modeling.	Dashboard Briefs Hearings	Informed legislators Informed staff Informed public	Gray, Brendon	June 2025
2	Oil and Gas Issue: Legislative proposals for changes in oil and gas taxation and regulation Objective: Conduct updated oil and gas analysis, which could include effective tax rates across states, shifting shares of production, production reporting, tax history, and industry incentives. Separate analysis on eliminating advance payments and/or spill setbacks. Create updated interactive oil and gas revenue flow diagram in Power BI.	Brief Presentation Dashboard	Better reporting Improved understanding of competitive advantage Updated inventory of incentives.	Faubion, Jennifer	June 2025
3	Medical GRT and Healthcare Spending Analysis Issue: Understanding the medical GRT tax burden and its impact on healthcare spending is critical for policy decisions. Objective: Conduct a medical GRT study, including healthcare spending analysis and GRT tax burden analysis. Separately, update the county-supported Medicaid model/forecast and the food and medical hold harmless forecasts for CREG and fiscal impact reports.	Brief Updated forecasting and FIR models	Better understanding of medical taxation	Faubion, Jennifer	September 2025
4	Local Government Revenues and IRBs Analysis Issue: Understanding local government revenue trends and the effectiveness of industrial revenue bonds (IRBs) is essential for identifying fiscal health and potential areas for reform. Objective: Conduct an analysis of local government revenues over time and consider developing an interactive dashboard. Evaluate trends and develop recommendations on IRBs.	Dashboard Brief Memos	Better understanding of local fiscal health Potential reforms to IRB practices	Torres, Ismael	November 2025

5	Income Tax Competitiveness Issue: Policymakers have used the personal income tax as a primary tool to reduce overall regressivity in the tax code. New Mexico's top marginal rate of 5.9 percent is ranked 30th among all states—higher than neighboring states. Objective: Conduct an analysis of other states' effective income tax rates and compare New Mexicans' income tax burden nationally. Evaluate competitiveness considering low bottom rates and recent efforts to reduce tax burden.	Hearing Brief Map	Informed legislators Informed staff Informed public	Gray, Brendon	August 2025
6	GRT Collection Trends and Risks Issue: Limited visibility into GRT collections by geography, industry, and firm size may hinder effective public policy strategies. Objective: Develop and deploy the RP-500 dashboard to analyze GRT collections by geographic location (county, municipal, out-of-state) and by industry. Include supplemental analysis on GRT by firm size and potential under-collection risks. Model projections of GRT reforms	Dashboard Brief Research materials	Improved visibility of tax collection trends Support for tax compliance efforts Support for enforcement efforts	Faubion, Jennifer	May 2025
7	Federal Policy Impact Analysis Issue: Federal policy changes may significantly affect New Mexico's revenues and economic conditions. Objective: Monitor and analyze federal policy changes that may impact New Mexico revenues or economics. Provide timely updates and briefings.	Briefs Memos	Informed legislators and staff Responsive policymaking	Torres, Ismael	Interim 2025
8	Economic Development and Labor Market Disparities Issue: Research suggests that economic development investments are more cost-effective in distressed labor markets, yet most spending flows into the state's strongest labor markets. Objective: Analyze labor market disparities and disparities in economic development spending.	Brief Hearing Policy Recommendations	Informed legislators Informed staff Informed public	Gray, Brendon	June 2025
9	Tax Policy Evaluation and Reform Issue: Tax policy changes, including the elimination of benefit cliffs, require careful analysis to balance credits, deductions, and structured taxes. Objective: Evaluate tax policy changes, including the elimination of benefit cliffs, and analyze tradeoffs between credits, deductions, and structured taxes.	Research memo Potential FIR templates Policy recommendations New Tax-E reports	Informed tax reform proposals Reduced regressivity and inefficiencies	LFC economists, TRD economists, tax experts	Interim 2025

10	Mapping State Business Funding Opportunities Issue: Businesses may not be fully aware of all the state funding opportunities available to them at various stages of development. Objective: Map all state funding opportunities for which businesses may be eligible. Objective: Map all state expenses on businesses (at different levels of business maturity by sector), including taxes and regulatory expenses	Brief Hearing Memo	Informed legislators Informed staff Informed public	Gray, Brendon	November 2025
11	Dynamic Scoring Policy Issue: The need for clear guidance on dynamic modeling practices and their integration into fiscal analysis processes. Objective: Draft a policy brief on dynamic scoring and make recommendations for incorporating dynamic analysis into legislative fiscal processes.	Brief	Clear guidance on dynamic modeling practices Improved fiscal estimates	Torres, Ismael	June 2025
12	Tax Increment Development Districts (TIDDs) Evaluation Issue: TIDDs are intended to support local economic development, but there is a gap in evaluating their actual impact compared to reported outcomes. Objective: Evaluate tax increment development districts (TIDDs), comparing reported vs. actual impacts based on economic analyses and application materials. Study interactions with LEDA, JTIP, and other state support. Provide recommendations to improve oversight and implementation.	Hearing Brief Research memo	Increased transparency Improved effectiveness of economic development incentives	Torres, Ismael	October 2025
13	Property Tax Reform Analysis Issue: Continued analysis on interest in property tax reform requires comprehensive, accurate data on property parcels to assess potential changes. Objective: Work with NM counties and assessors to compile a point-in-time parcel database. Use this data to enable a thorough and accurate analysis of potential property tax reform.	Property tax database Presentation of 1-2 counties' analysis as proof of concept Property tax reform recommendations (2-year goal)	Improved visibility of tax collection trends Informed legislators Informed staff Informed public	Faubion, Jennifer	November 2025

SECONDARY ISSUES

Rank	Issues/Goals & Objectives	Output	Outcome/Results	Responsibility	Finish Date
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1	OGAS Well Master Database Modernization Issue: The current OGAS well master database is not easily updatable or accessible for analysis. Objective: Convert the OGAS well master database to an updatable format with a dashboard of insights that can be published on the website. Explore other OCD or federal OGAS data for inclusion.	Dashboard	Useable well data for public use Internal analysis Modeling	Faubion, Jennifer	Interim 2025
2	Compensating Tax and GGRT Databases from TRD Files Issue: TRD files contain valuable data that can be used to enhance fiscal modeling and analysis but has not been used efficiently or effectively to date. Objective: Create compensation and GGRT databases from TRD files like GRT and cannabis.	Database Possible dashboard	Database for modeling	Faubion, Jennifer	Interim 2025
3	Expanded Data-Sharing Initiatives Issue: More robust data-sharing with TRD would support better modeling, forecasting, and evaluation. Objective: Explore and support expanded data-sharing initiatives with TRD to enhance modeling, forecasting, and program evaluation.	Internal recommendations, updated data protocols	More timely and detailed analysis across revenue models and policy areas	LFC economists, TRD economists, DFA	Interim
4	Fiscal Cleanup Legislation Issue: Outdated or unclear statutes reduce financial and legislative efficiency. Objective: Develop a “fiscal cleanup” bill based on staff-wide input. Identify obsolete statutes, technical corrections, and improvements for clarity and consistency across the financial code.	Draft bill, internal tracking sheet	More functional and modernized statutes; improved legislative and financial management efficiency	LFC economists, LFC analysts, LCS	November 2025
5	Legislation Tracking System for Fiscal Impact Issue: Fiscal impact tracking during sessions lacks flexibility and integration. Objective: Create a flexible system for tracking legislation with fiscal impact throughout legislative sessions.	FIR materials	Informed legislators Informed staff Informed public	Gray, Brendon	December 2025

6	Non-General Fund and Earmark Inventory Issue: The proliferation of earmarks and trust funds makes it difficult to track total state revenue and allocations. Objective: Provide a full accounting of non-general fund trust funds, permanent funds, revenue distributions, and earmarks to understand revenue flows and make best-practice recommendations.	Index of state revenues Brief	Informed committee and staff of total revenue Clearer understanding of how much is appropriated	Faubion, Jennifer	Interim 2025
7	Quarterly Investment Reporting Improvements Issue: Investment data is not currently interactive or easily accessible. Objective: Improve quarterly reporting on state investments. Transfer investment report data into interactive dashboards with analysis.	Report card LFC/IPOC hearing Dashboard	Informed legislators Informed staff Informed public	Gray, Brendon	June 2025
8	Oil and Gas Production Policy Forecasting Issue: State energy policy requires accurate forecasting of production trends and fiscal exposure. Objective: Evaluate the effects of federal and state policies on New Mexico oil and gas production, including long-term production potential, rig count trends, and price sensitivity. Analyze break-even points and develop both short- and long-term forecasts.	Hearing Brief Research materials	Informed policy on energy dependence and diversification Updated fiscal risk models	LFC economists, LFC analysts, OCD, industry experts	Interim 2025
9	Labor Market Data and PIT Simulation Development Issue: Improved labor market tracking and PIT simulations are needed for stronger forecasting. Objective: Improve labor market data tracking and monitoring databases. Grow and leverage personal income tax simulation capabilities.	Forecast publications FIR materials	Informed legislators Informed staff Informed public	Gray, Brendon	December 2025
10	Revenue Forecasting Model Modernization Issue: Existing revenue models need updates to reflect legislative and economic changes. Objective: Continue work with TRD on disaggregated PIT and CIT data, improve accuracy of revenue forecasting models, update all models post-2024 session, and transfer forecasts to Forecast Pro. Explore interactive platforms for forecast communication.	Improved LFC revenue models and tracking	Reduced forecasting error Improved confidence in estimates Better oil and gas impact forecasting Improved FIR analyses	LFC economists, TRD economists, DFA economists	Interim 2025
11	Economist Cross-Training Issue: Team resilience and knowledge coverage depends on cross-training. Objective: Cross-train economists in all revenue and policy areas through peer training and rotating responsibilities.	Informal trainings Possible lunchtime learning sessions	A resilient and adaptable economist team Improved collaboration, understanding, and coverage	LFC economists	Interim 2025

12	<p>Long-Term Revenue Forecasting Improvements</p> <p>Issue: Granular and long-term planning is needed for fiscal stability.</p> <p>Objective: Formalize and improve short- and long-term forecasts with the Consensus Revenue Estimating Group. Develop granular budget forecasting, assess tax expenditure impacts, and create long-term planning recommendations.</p>	<p>Hearing</p> <p>Brief</p> <p>Possible LFC-sponsored legislation</p> <p>National publications or presentations</p>	<p>Long-term fiscal stability and planning</p> <p>Informed legislators</p> <p>Informed staff</p> <p>Informed public</p>	<p>LFC economists, TRD economists, DFA economists, other tax policy experts</p>	<p>Interim 2025</p>
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2025 INTERIM WORK PLAN SUMMARY

Capital Outlay

Cally Carswell, Antonio Ortega, Rhea Serna

Analysts: Cally Carswell, Antonio Ortega, Rhea Serna

PRIMARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Outstanding Capital Outlay</p> <p>Issue: Outstanding capital outlay funds are likely to surpass \$6 billion in FY26 across more than 5,000 projects. State agency and local capacity to manage projects, funding shortfalls, lack of planning, rising construction costs, labor shortages, and supply chain volatility can all impede project progress. Such impediments are more quickly recognized and addressed through regular tracking and reporting.</p> <p>Objective: 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 identify implications for 2026 appropriations.</p> <p>Objective: Provide the legislature with legislative fixes and reform proposals.</p>	<p>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>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>Excessive Demand</p> <p>Issue: Demand for capital outlay exceeds available funds, even with surging revenues.</p> <p>Objective: Provide the Legislature with informative analysis on capital requests and budget recommendations and guidelines for state agencies, higher education, and local governments that prioritize need and readiness.</p> <p>Objective: Provide the legislature with legislative fixes and reform proposals.</p>	<p>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>Capital outlay appropriation bills that effectively balance need, capacity to expend funds and complete projects, readiness, and potential benefits with available funding</p> <p>Improved voluntary vetting tools for local capital outlay requests</p>	Carswell, Ortega, Serna, analysts	March 2026

3	<p>Inefficiencies</p> <p>Issue: 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 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>Objective: Prioritize and efficiently complete projects, increase the community benefits resulting from capital spending, and improve the state's ability to leverage federal dollars.</p> <p>Objective: Provide the legislature with legislative fixes and reform proposals.</p> <p>Objective: Develop options to enhance the coordination of all government process to minimize separate government development of capital.</p>	<p>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 initiatives and priorities</p> <p>Policy & budget recommendations for the 2026 Legislature</p>	<p>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> <p>Improved reporting and project tracking system</p>	Carswell, Ortega, Serna, Hilla, economists	Ongoing
4	<p>Higher Education</p> <p>Issue: Higher education construction cost increases have far outpaced modest growth of dedicated revenues for higher education capital outlay. In today's volatile construction environment, the practice of requesting major construction dollars before design is complete or even initiated has made it difficult for institutions to complete projects on time and on budget and supplemental requests have ballooned. Additionally, long-term capital plans do not necessarily address enrollment trends and academic delivery methods and institutions report funding available to for building repair and renewal (BR&R) is inconsistent and inadequate. Many institutions bundle small repairs into capital outlay requests that are difficult to prioritize at a statewide level.</p> <p>Objective: Diversify revenues for higher education capital projects, improve long-term capital planning and implement requirements for design prior to construction appropriations. Develop an approach to funding BR&R and demolition informed by analysis of the outstanding need and available funding sources.</p> <p>Objective: Provide the legislature with legislative fixes and reform proposals.</p>	<p>LFC-sponsored legislation to address funding and policy issues related to higher education capital outlay</p> <p>Analysis of HEI BR&R backlogs and spending relative to accepted benchmarks</p> <p>Budget recommendations for BR&R and demolition</p>	<p>Increased transparency of project development prior to construction funding</p> <p>Improved capital planning and on-time, on-budget project completion</p> <p>Reduced BR&R and demolition backlogs and a clear definition of the state's role in funding such projects</p>	Carswell, Jorgensen	December

5	Project Vetting Issue: 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. Objective: Use the earlier deadline for local requests and new legislative staff to improve support to legislators in reviewing requests and in utilizing recommended vetting practices. Objective: Provide the legislature with legislative fixes and reform proposals.	Hearing materials for Legislative Council and LFC Improved quarterly sponsor reports and materials Vetting information on new requests Training for legislative staff	Increased vetting of local requests Fewer over- and under-funded projects, Reduced backlog of capital projects	Carswell, Ortega	Ongoing
6	Reauthorizations Issue: The Legislature exercises limited oversight of reauthorization requests and puts few limits on reauthorizations. The number of reauthorized projects increased by more than 50 percent in 2025, on top of a doubling in 2023, indicating continuing challenges to spend funds and complete projects. LFC committee members and staff historically have not reviewed or approved statewide and higher education requests before inclusion in the bill and have put few restrictions on local project reauthorization. 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. Objective: Increase legislative oversight of reauthorization requests with staff support. Objective: Provide the legislature with legislative fixes and reform proposals.	Activity reports, analysis in hearing briefs/quarterly reports Recommended reauthorization guidelines for state agencies and higher education	Establish a precedent of legislative oversight of state agency and higher education reauthorization requests and scrutinize future general fund impacts	Carswell, Ortega,	March 2026

SECONDARY ISSUES

1	Public School Outlay Issue: Local match waivers granted by the Public School Capital Outlay Council have increased in number and amount in recent years, despite across-the-board reductions in the local match. Objective: To identify potential revisions to the state-local match formula that would more accurately represent school districts' ability to contribute to project costs and reduce the need for waivers. Objective: Assess mechanism for school building needs and replacements.	Program evaluation on the state-local match formula	A formula that more accurately reflects school districts' ability to pay and reduces the need for waivers	Carswell, evaluators, LESC	November
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2	<p>Construction Costs</p> <p>Issue: Construction costs have risen dramatically in a short period of time, particularly in rural areas and certain regions of the state, and may continue to be volatile due to federal tariff policies.</p> <p>Objective: Track changes in construction costs across agencies and projects and provide regular reporting on cost and market trends to provide funding agencies and the Legislature with benchmarks to evaluate new requests against.</p>	Consistent cost reporting in quarterly reports	Cost benchmarks for funding agencies and the Legislature	Carswell, Ortega	May, ongoing
3	<p>Economic Development and Quality of Life</p> <p>Issue: Capital outlay could facilitate public infrastructure development to support quality of 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>Objective: Identify infrastructure investments needed in particular areas of the state to support targeted economic sectors and quality of life improvements.</p>	<p>Activity reports and hearing briefs, including review of projects funded through existing grant programs</p> <p>Volume I narratives</p> <p>Budget recommendations</p>	Strategic state and local capital appropriations to support economic development	Carswell, Serna, Rodriguez	December
4	<p>Rural Infrastructure</p> <p>Issue: Rural and frontier communities have fewer resources to meet infrastructure needs and the local capital outlay process, which apportions money based on population, is inadequate to meet those needs.</p> <p>Objective: Provide analysis on state dollars allocated to infrastructure improvements in rural and frontier communities, major categories of unmet need, and options for prioritizing additional capital outlay to small communities.</p>	<p>Activity reports and hearing briefs</p> <p>Local capital outlay budget recommendations and guidelines</p>	Complete funding for high-priority projects in rural and frontier communities	Carswell, Serna, Ortega	December
5	<p>Local Roads</p> <p>Issue: 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>Objective: Evaluate the need for, performance and outcomes of the various funding programs and opportunities for improvement.</p>	<p>Activity report and project spotlight report</p> <p>Local capital outlay guidelines</p> <p>Nonrecurring budget recommendations</p>	<p>Increased legislative understanding of funding programs for local roads</p> <p>Improved performance of capital outlay for roads</p>	Carswell, Simon, Serna	December
6	<p>Executive Office Building</p> <p>Issue: 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>Objective: To identify future occupants of an executive office building and prioritize assignment of existing state-owned space.</p>	<p>Activity reports, hearing briefs</p> <p>Budget recommendations</p>	Clarity on plans for the executive office building and its ripple effects	Carswell, Simon	December

7	<p>Local Capacity</p> <p>Issue: 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>Objective: Develop strategies for addressing local capacity.</p>	<p>Analysis on current efforts by councils of governments and technical assistance providers, and evaluation of special appropriations for capacity building</p> <p>Budget recommendations</p>	<p>Funding to develop promising models for building capacity at a regional level</p> <p>Fewer capital projects delayed due to capacity limitations</p>	Carswell, Serna	December
8	<p>Senior Centers</p> <p>Issue: 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>Objective: 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>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>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

2025 INTERIM WORK PLAN SUMMARY

Communications

Helen Gaussoin

Communications
Helen Gaussoin

PRIMARY ISSUES					
Rank	Issues/Objectives	Output	Outcome/Results	Responsibility	Finish Date
1	<p>Accessible Reports</p> <p>Issue: 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>Objective: 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>Website updated for functionality</p> <p>Creation of a consolidated, topic-driven website location for policy briefs, staff presentations, and other policy research materials</p> <p>Updated report card web page with interactive data sets</p> <p>Updated and expanded Finance Facts</p> <p>Updated document templates</p>	<p>Improved public access to and understanding of government policy and LFC work</p> <p>Greater public understanding of LFC work on area topics</p> <p>More reader-friendly publications that are easier for staff to use.</p> <p>Improved correlation of LFC and agency FIR formatting and information</p>	Gaussoin/other staff	<p>Website updates by June</p> <p>Finance Facts updates by July</p> <p>Template updates ongoing</p>
2	<p>Artificial Intelligence</p> <p>Issue: AI could be a useful tool for initially developing documents, but LFC staff does not have guidance or training on its successful use.</p> <p>Objective: Integrate AI in staff practices without creating new problems.</p>	<p>Guidance and standards for use of AI to be updated annually</p>	<p>More intelligent use of AI that saves time and improves results</p>		End of June

3	<p>Publication Quality</p> <p>Issue: LFC's ability to communicate is only as good as the communications skills of its staff.</p> <p>Objective: Continue to improve the quality of writing in reports and consistency in tone and style.</p>	<p>Training in narrative structure and LFC Style</p> <p>Edited documents</p>	<p>Staff with a better understanding of narrative structure, grammar, and LFC style</p> <p>Organization publications that are easier to understand and more interesting to read</p>	Gaussoin/Carswell	Throughout interim
4	<p>Performance Measures</p> <p>Issue: 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>Objective: Continue to work with DFA to clean up measures and with staff to encourage agencies to comply with clean up.</p>	Clean purpose statements and measures in BFM	Cleaner Volume 2 and the General Appropriation Act	Gaussoin/staff	July
5	<p>Manuals</p> <p>Issue: Outdated budget and FIR manuals create confusion among staff, inconsistent practices that add to workload, and documents that are missing important elements.</p> <p>Objective: Easily understood manuals that institutionalize a common approach that eliminates confusion and creates consistency and that further includes guidance to databases and other technology</p>	<p>Updated budget manual</p> <p>Updated FIR manual</p>	<p>Useful and usable direction</p> <p>Consistent FIRs that need less editing</p>	<p>Gaussoin/staff</p> <p>Gaussoin</p>	<p>End of July</p> <p>End of September</p>

Proposed Program Evaluation Work Plan - June 2025
PROJECTS FOR PROGRAM EVALUATION UNIT

PART I: PROGRAM EVALUATION PROJECTS					
A. Current Priority			Staff and Due Date		
Agency Code	Agency Name	Project Descriptions	Lead Evaluator	Evaluation Staff	Due/Hearing Date
950	IHEs	Use and Impact of Endowment Appropriations for Higher Education Nursing, Teaching, and Social Work Programs	Clayton Lobaugh	Josh Chaffin	July-25
665	DOH	Medication-Assisted Treatment in Public Health Offices	John Valdez	Maggie Klug	July-25
924	PED and Districts	School Lunch Coverage and Costs	Ryan Tolman	Josh Chaffin	August-25
940	PSFA	Public School Capital Outlay	Drew Weaver	Sarah Rovang	September-25
Multiple	Multiple	Evaluation: Juvenile Justice Community-based Services	Clayton Lobaugh	Guillermo Caraveo	October-25

PART II: PROGRESS REPORTS AND OTHER PROJECTS					
A. Current Priority			Staff and Due Date		
Agency Code	Agency Name	Project Descriptions	Lead Evaluator	Evaluator/ Analyst	Report Date
Multiple	Multiple	Policy Spotlight: Financial Health of NM Cities and Counties	Matt Goodlaw	Elizabeth Dodson	August 2025 and November 2025
Multiple	Multiple	Tax Expenditure Reports	Maggie Klug/ Drew Weaver	Brendon Gray	Ongoing
Multiple	Multiple	Quarterly Status Reporting on Nonrecurring Appropriations	Maggie Klug		Ongoing
Multiple	Multiple	SB58 Program Inventories - Agency Training and Inventory Analysis	Sarah Dinces	Sarah Rovang	Ongoing
Multiple	Multiple	Early Childhood Accountability Report	Garrett Moseley	Allegra Hernandez Kelly Klundt	August-25
805	DOT	State Support of Local Transportation Projects	Rhea Serna		Fall 2025
B. Next Priority			Staff and Due Date		
Multiple	AOC, DA, Public Safety Agencies	Action Plan: Minimizing Felony Case Dismissals			Fall 2025
924	PED and Districts	Spotlight: School Calendars and Performance-Based Budgeting			Fall 2025
630	HCA	Progress Report: Stacking of Income Supports, including coordination and food security			Winter 2025
924	PED	Student Performance Dashboards			Winter 2025
Multiple	Multiple	Spotlight: Cash Balances (State and Local)			Fall 2025

PART III: Program Evaluation Parking Lot					
Tier I					
Agency Code	Agency Name	Project Descriptions			
361	DoIT	Cybersecurity at DoIT and State Agencies			
350 & 361	DoIT & GSD	IT Procurement Oversight and Outcomes			

Proposed Program Evaluation Work Plan - June 2025
PROJECTS FOR PROGRAM EVALUATION UNIT

350	GSD	Spotlight: Construction-related/ Public Works Project Procurement			
631	WSD	Progress Report: Unemployment Insurance			
631	WSD	Action Plan: Disengaged Youth			
950 and 924	HEIs and PED	Career Technical Education			
	TRD	Tax E: Property Taxes			
337	SIC	Spotlight: Review of Investing and Reporting Practices			
521 & 795	EMNRD & DHSEM	State's Role in Fire Preparation and Response			
Tier II					
350	GSD	Outcomes of State Green Facilities Initiatives			
420	RLD	Construction Industries and Cannabis Control			
465 & 469	Racing & Gaming	Operations of the State Racing Commission & Gaming Control Board			
505	DCA	Museums and Historic Sites			
521, 667	EMNRD and NMED	Environmental Permitting			
624	ALTSD	Progress Report: Funding and Performance of the Aging Network			
665	DOH	Progress Report: DOH Facilities			
790 and 805	DPS and DOT	Motor Vehicle and Pedestrian Fatalities			
924	PED	Regional Education Cooperatives			
924	PED and Districts	Review of Below-the-Line Appropriations			
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 Centers of Excellence			
Multiple	Multiple	Housing Projects (NMFA, NM Housing, HCA, Corrections, SB3, Capital Outlay)			