

LFC Requester:	LFC
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**AGENCY BILL ANALYSIS
2026 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Click all that apply:

Original **Amendment**
Correction **Substitute**

Date Prepared: 2026-01-27
Bill No: HB158

Sponsor: Little, Charlotte
PLANS ON USE OF
Short Title: CERTAIN FUNDS

Agency Name and Code NMHED
Number: _____
Person Writing: Gallegos, Brittany
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue	Recurring	Fund Affected

FY26	FY27	FY28	or Nonrecurring	
N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act:

SECTION III: NARRATIVE

BILL SUMMARY

House Bill 158 (HB158) requires state agencies receiving funding from the Government Results and Opportunity Expendable Trust (GRO) to submit accountability and evaluation plans for each funded program or project. These plans must outline goals, activities, performance measures, evidence basis, and methods for evaluating outcomes and publicly reporting results. The bill also establishes timelines for submission and review of plans and requires evaluation findings to inform future budget recommendations.

The New Mexico Higher Education Department's (NMHED's) analysis of this bill focuses on the higher education implications of the proposed legislation. Additional insight may be obtained from other agencies' analyses.

FISCAL IMPLICATIONS

There is no appropriation associated with HB158. However, the bill would require agency staff time and administrative resources to develop and submit the required accountability and evaluation plans.

SIGNIFICANT ISSUES

HB158 creates new reporting and evaluation requirements for state agencies that receive appropriations from the GRO trust fund. Agencies would be required to develop and submit detailed accountability and evaluation plans for each funded program or project. These plans must identify goals, objectives, expected outputs and outcomes, describe program activities, and explain how those activities are

expected to achieve results. NMHED receives GRO funding for workforce training programs not otherwise covered by financial aid and for student retention initiatives at higher education institutions. As a result, NMHED would be required to develop these accountability and evaluation plans.

The bill also requires agencies to classify the evidence base for each program or project, develop performance measures and monitoring plans, and include an evaluation plan designed to assess the causal impact of the program on intended outcomes. Agencies must describe how and when evaluation results will be shared with the New Mexico Department of Finance and Administration (NMDFA), the New Mexico Legislative Finance Committee (NMLFC), and the public.

In addition, the bill establishes annual timelines for notification, submission, and potential revision of plans. It also requires NMDFA and NMLFC to consider evaluation results when making recommendations about whether a program or project should be included in an agency's budget in future fiscal years. These requirements may increase administrative and analytical workload for agencies, particularly those without existing evaluation capacity.

PERFORMANCE IMPLICATIONS

HB158 would require NMHED to develop performance measures and evaluation methods to assess the effectiveness of programs supported with GRO trust funding. This would involve identifying appropriate indicators of success and establishing processes to monitor outcomes over time.

NMHED currently produces a GRO workforce outcomes report that measures student outcomes and participation for programs supported with GRO workforce funding. However, the report does not include established benchmarks or criteria to determine whether a program is considered a success or a failure. Developing such evaluative thresholds would be necessary under the requirements of this bill.

Developing performance indicators may be more complex for certain initiatives, such as retention funding. These funds are typically awarded based on whether institutions meet specified retention benchmarks, which may limit the ability to evaluate broader or longer-term impacts beyond the immediate performance threshold.

ADMINISTRATIVE IMPLICATIONS

HB158 would require additional staff time and administrative effort within NMHED to develop, submit, and potentially revise accountability and evaluation plans for programs supported with GRO trust funding. The ongoing responsibilities would include tracking performance measures, coordinating evaluation activities, and preparing required reports.

The bill would also have administrative implications for higher education institutions that receive GRO-funded support. Institutions would likely need to collect, report, and verify additional program and student outcome data to support NMHED's accountability and evaluation requirements.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

As of January 28, 2026, there are no bills that conflict with, duplicate, serve as a companion to, or otherwise relate to HB158. Additional related legislation could be introduced later in the session.

TECHNICAL ISSUES

HB158 establishes accountability and evaluation requirements but leaves some implementation details open to interpretation. The bill does not specify the level of rigor expected for evaluation plans, including what methods would be considered sufficient for assessing causal impact. Additional guidance may help promote consistency in how agencies design and carry out evaluations.

The bill also requires agencies to categorize programs as evidence-based, research-based, promising, or not yet supported by rigorous research, but it does not specify the standards or sources that should be used for these classifications. Clarification in this area may support more uniform application across agencies.

In addition, while the bill requires evaluation results to be shared with state oversight entities and the public, it does not define the format, timing, or method of public reporting. Further direction may help align reporting expectations and address considerations such as data privacy and coordination with existing reporting processes.

The bill does not outline specific consequences or procedures if an agency fails to submit a plan or if a plan does not meet expectations. Additional clarification may help agencies understand compliance expectations and oversight processes.

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If HB158 is not enacted, New Mexico state agencies would not be required to submit accountability and evaluation plans for programs and projects that receive funding from the GRO fund.

AMENDMENTS

N/A