

LFC Requester:

**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**

**[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto:billanalysis@dfa.nm.gov)**

*(Analysis must be uploaded as a PDF)*

**SECTION I: GENERAL INFORMATION**

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

**Date Prepared:** 2.6.26 *Check all that apply:*  
**Bill Number:** House Memorial 42 Original  Correction   
 Amendment  Substitute

	<u>Anita Gonzales and Michelle</u>	<b>Agency Name</b>	Economic Development
	<u>Paulene Abeyta</u>	<b>and Code</b>	Department
<b>Sponsor:</b>		<b>Number:</b>	<u>41900</u>
<b>Short</b>	<u>Studies for Detention Centers</u>	<b>Person Writing</b>	<u>Jennifer Myers</u>
<b>Title:</b>	<u>for Employment and Reuse</u>	<b>Phone:</b> <u>505-660-5371</u>	<b>Email</b> <u>Jennifer.myers@edd.nm.gov</u>

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis ( ) indicate revenue decreases)

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

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>						

(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**

##### **Synopsis:**

House Memorial 42 (HM42) requests that the Economic Development Department, Workforce Solutions Department, Children, Youth and Families Department, Corrections Department, and Health Care Authority conduct studies regarding employment replacement opportunities for workers affected by the potential closure of certain detention centers and opportunities for the reuse of former detention facilities. The memorial also requests that the Economic Development Department (EDD) study ways the State might assist adversely affected communities through existing State programs. Findings and recommendations are to be reported to interim legislative committees by October 1, 2026.

#### **FISCAL IMPLICATIONS**

HM42 does not contain an appropriation. Compliance with the Memorial will require additional staff time and resources to conduct research, coordinate across agencies, analyze economic and employment impacts, and prepare reports.

The total fiscal impact on EDD and other involved agencies is indeterminate and will depend on the scope of analysis undertaken and the degree of interagency and stakeholder coordination required. Absent additional funding, these activities would need to be absorbed within existing operating budgets.

In rural communities such as Grants and Cibola County, economic development efforts already involve coordination among multiple state, regional, and local entities, including local governments, councils of governments, higher education institutions, and nonprofit economic development organizations. Conducting the studies requested in HM42 would require EDD and partner agencies to inventory existing programs, such as workforce training, infrastructure development, revolving loan funds, and business recruitment, and assess their applicability to employment transition and facility reuse. This coordination would further increase staff time and administrative workload.

#### **SIGNIFICANT ISSUES**

The Memorial addresses potential job losses associated with the closure of detention facilities in rural communities and seeks to mitigate economic disruption through employment transition strategies and the reuse of existing facilities. While the requested studies may provide valuable information for policymakers, they involve complex and interrelated issues, including economic development, workforce transitions, corrections capacity, juvenile justice, and health care infrastructure.

Rural communities potentially affected by detention facility closures often rely on a limited number of major employers and have small but interconnected economic development ecosystems. Communities such as Grants and Cibola County require coordination among state agencies, county and municipal governments, regional planning organizations, higher education

institutions, MainStreet programs, chambers of commerce, and nonprofit economic development foundations. Aligning these entities toward employment replacement and facility reuse strategies requires sustained interagency leadership, data sharing, and local engagement.

## **PERFORMANCE IMPLICATIONS**

## **ADMINISTRATIVE IMPLICATIONS**

The Memorial will increase workload for EDD and other participating agencies by requiring reviews, analyses, and coordination related to economic development strategies for community assistance and facility reuse. EDD would need to engage with a diverse range of stakeholders in potentially affected communities, including county and municipal governments, regional councils of governments, higher education institutions, workforce partners, and nonprofit economic development organizations. This coordination would need to occur during a very narrow window of time in order to meet the deadline contained in the Memorial.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

House Memorial 51 is a request for a similar study.

## **TECHNICAL ISSUES**

## **OTHER SUBSTANTIVE ISSUES**

## **ALTERNATIVES**

## **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

## **AMENDMENTS**