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## FISCAL IMPACT REPORT

**BILL NUMBER:** House Memorial 42

**SHORT TITLE:** Study Employment for Certain Employees

**SPONSOR:** Gonzales/Abeyta

**LAST ORIGINAL**  
**UPDATE:** \_\_\_\_\_ **DATE:** 02/08/2026 **ANALYST:** Sanchez

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

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
NMCD/CYFD/EDD	See "Fiscal Implications"	No fiscal impact	No fiscal impact	See "Fiscal Implications"	Nonrecurring	General Fund

Parentheses ( ) indicate expenditure decreases.  
\*Amounts reflect most recent analysis of this legislation.

Relates to House Bill 9

### Sources of Information

LFC Files

Agency or Agencies Providing Analysis  
Corrections Department

Agency or Agencies That Were Asked for Analysis but did not Respond  
Department of Finance and Administration  
Department of Workforce Solutions  
Economic Development Department

## SUMMARY

### Synopsis of House Memorial 42

House Memorial 42 (HM42) requests a series of interagency studies to assess potential economic and operational responses if detention facilities in New Mexico that currently contract with the U.S. Immigration and Customs Enforcement were to close. The memorial is framed in the context of House Bill 9, now Laws 2026, Chapter 5, the “Immigrant Safety Act,” which prohibits public bodies from entering into agreements to detain individuals for federal civil immigration violations. The memorial notes that three such detention facilities are located in Cibola, Otero, and Torrance counties and together employ more than seven hundred workers. It states the potential closure of these facilities could result in significant job losses and have adverse economic effects on the surrounding rural communities.

The memorial emphasizes the loss of detention center operations would likely have secondary

impacts beyond direct employment, including reduced local spending and strain on community stability. To address these concerns, the memorial highlights national trends in which states have repurposed correctional facilities for alternative community or commercial uses following closures, suggesting that similar approaches could mitigate adverse economic outcomes in New Mexico.

HM42 requests the Economic Development Department (EDD) and the Workforce Solutions Department (WSD) to study ways to replace jobs associated with the existing immigration detention facilities with alternative employment opportunities and asks the Children, Youth and Families Department (CYFD), the Corrections Department (NMCD), and the Health Care Authority (HCA) study potential alternative uses for the existing detention facilities. Finally, the memorial asks the Economic Development Department to study how the state might assist communities that could be adversely affected by detention center closures.

The memorial directs that the results and recommendations from all requested studies be provided to the appropriate interim legislative committees by October 1, 2026, and that copies of the memorial be transmitted to the relevant cabinet secretaries.

## **FISCAL IMPLICATIONS**

HM42 does not appropriate funding, designate a lead agency, or define the scope, methodology, or level of effort required for the requested studies. As a result, the direct fiscal impact on state government is indeterminate. Participating agencies, including the EDD, WSD, CYFD, NMCD, and HCA, may incur additional workload and administrative costs to complete the studies within existing resources or may need to reprioritize staff time and analytical capacity. The magnitude of any costs would depend on the extent to which agencies rely on existing data and staff versus the need for new data collection, stakeholder engagement, or external expertise. The memorial also contemplates potential future use of state programs or funds to assist affected communities; however, any fiscal impact associated with those actions would depend on subsequent legislative or administrative decisions and is not created by this memorial.

## **SIGNIFICANT ISSUES**

HM42 does not specify how responsibilities should be coordinated, how overlapping subject matter should be reconciled, or whether a single entity would be responsible for synthesizing findings across workforce, facility, and community impact analyses. The absence of a defined scope or common framework may lead to studies that vary in depth, assumptions, or timelines, which could affect their comparability and usefulness for interim legislative review.

Additionally, HM42 contemplates repurposing detention facilities for juvenile justice or health care, which may involve statutory, regulatory, licensing, or accreditation requirements that differ from current operations and fall outside the core missions of some participating agencies. The memorial also anticipates the delivery of study results by a fixed date, which may conflict with agencies' existing planning, reporting, or interim obligations and could affect the prioritization of the rest of the agency's workload.

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

HM42 relates to House Bill 9, now Laws 2026, Chapter 5, the “Immigrant Safety Act,” which prohibits public bodies from entering into agreements to detain individuals for federal civil immigration violations. The memorial addresses potential consequences of implementing HB9 by requesting studies on employment impacts, facility reuse, and community effects that could arise if detention contracts are terminated. Still, it does not amend, implement, or alter the act's statutory provisions.

SS/hg/sgs