

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the Legislature. LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

FISCAL IMPACT REPORT

BILL NUMBER: Senate Bill 300

SHORT TITLE: CYFD Computer Hardware & Software

SPONSOR: Pinto/Sedillo Lopez/Lopez

LAST ORIGINAL
UPDATE: _____ **DATE:** 2/10/26 **ANALYST:** Malone

APPROPRIATION* (dollars in thousands)

FY26	FY27	Recurring or Nonrecurring	Fund Affected
	\$5,000.0	Nonrecurring	General Fund

*Amounts reflect most recent analysis of this legislation.

Relates to HAFC substitute for House Bills 2 and 3 (the General Appropriations Act)

Sources of Information

LFC Files

Agency or Agencies That Were Asked for Analysis but did not Respond
Children, Youth and Families Department (CYFD)

SUMMARY

Synopsis of Senate Bill 300

Senate Bill 300 (SB300) appropriates \$5 million from the general fund to the Children, Youth and Families Department (CYFD) to improve computer hardware and software used in child welfare cases. The hardware and software improvements must be compatible with the national child welfare data management system used by the U.S. Department of Health and Human Services.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, which is May 20, 2026.

FISCAL IMPLICATIONS

The appropriation of \$5 million contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY27 shall revert to the general fund.

SIGNIFICANT ISSUES

The funding contained in SB300 is likely intended to support the CYFD comprehensive child welfare information system (CCWIS) project, now the New Mexico Impact Project. The project will replace the 25-year-old legacy Family Automated Client Tracking System (FACTS) and serve the agency’s Protective Services, Children’s Behavioral Health, Family Services, and Juvenile Justice programs.

In 2016, the federal Administration on Children and Families (ACF) announced new rules for states to replace their legacy IT systems, offering a federal funding match for development and operations. The new rules aimed to improve the quality of data collected, emphasizing the need for modernization and integration across programs and systems. To meet these requirements, CYFD is pursuing a new modular, integrated system to provide enhanced tools to improve outcomes, increase confidence and data integrity, provide more accurate real-time program reports, and improve efficiency and productivity at the agency. The system includes functions for data collection, case management, compliance, reporting, and analytics by integrating with other data systems and providing web-based access for caseworkers, service providers, and other stakeholders in the field to update and manage child welfare case information in real time.

The CCWIS project has encountered significant delays and increased costs. New Mexico began its CCWIS project in November 2017 with an initial estimated end date of October 2022 and a projected cost of \$36 million. Total cost has been revised three times since initial estimates and is now estimated at \$90.4 million. The project end date has also been revised multiple times, most recently pushing the go-live date for phase two of the project (the primary rollout of the new system) from February 2026 to August 2026.

To date, the CCWIS project has realized a total of \$71.1 million in revenue, including over \$38 million in state funding. Currently, CYFD has \$19.1 million in unspent existing appropriations available for the project, \$3.6 million of which was appropriated in 2021 or earlier. Much of this funding will be reauthorized for use in FY27 (see Conflict, Duplication, Companionship, Relationship, below) and the remainder was previously reauthorized for expenditure in FY27 in the 2025 General Appropriation Act.

SB300 does not specify mechanisms for certification of the included appropriation, unlike existing project funding. This could result in losing important oversight for use of the funding.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to the HAFC substitute for House Bills 2 and 3 (the General Appropriations Act), which reauthorizes previous IT appropriations—from as early as 2020—for the CYFD CCWIS project for expenditure in FY27.