

MINUTES
LEGISLATIVE FINANCE COMMITTEE
July 12-14, 2006

Representative Luciano “Lucky” Varela, chairman, called the Legislative Finance Committee (LFC) meeting to order on Wednesday, July 12, 2006, at 8:05 a.m.

The following LFC members were present on July 12:

Representative Luciano “Lucky” Varela, chairman, Senator Ben Altamirano for Joseph Fidel, vice chairman, Representatives Nick Salazar, Dona Irwin for Rhonda King, Jeannette Wallace, Sandra Townsend, Larry Larranaga for Brian Moore, Donald Whitaker, and Henry “Kiki” Saavedra, and Senators Timothy Jennings, Leonard Rawson, Sue Wilson Beffort, and John Smith. Representative Thomas Taylor attended as a guest.

The following LFC members were present on July 13:

Representative Luciano “Lucky” Varela, chairman, Senator Ben Altamirano for Joseph Fidel, vice chairman, Representatives Nick Salazar, Donna Irwin for Rhonda King, Jeannette Wallace, Sandra Townsend, Larry Larranaga for Brian Moore, Donald Whitaker, and Henry “Kiki” Saavedra, and Senators Timothy Jennings, Leonard Rawson, Nancy Rodriguez for Phil Griego, Sue Wilson Beffort, and John Smith. Representative Thomas Taylor attended as a guest.

The following LFC members were present on July 14:

Representative Luciano “Lucky” Varela, chairman, Representatives Nick Salazar, Mary Helen Garcia for Rhonda King, Jeannette Wallace, Sandra Townsend, Larry Larranaga for Brian Moore, Donald Whitaker, and Henry “Kiki” Saavedra, and Senators Leonard Rawson, Nancy Rodriguez for Phil Griego, Sue Wilson Beffort, and John Smith.

Homeland Security & Emergency Management Review

Usha Shannon, performance auditor, LFC, reports emergency preparedness depends on adequate equipment and planning. Performance auditors reviewed emergency management planning, policies, and procedures; training provided to other state agencies and other entities; coordination with state agencies; recruitment and retention practices; and performance measures. Ms. Shannon stated many findings were consistent with the program and financial review visits conducted by the U.S. Department of Homeland Security in 2004 and 2006.

Ms. Shannon reported a National Incident Management System (NMIS) was issued by the U.S. Department of Homeland Security in March 2004. It is a comprehensive system that will improve response operations through the use of the incident command system and other standard procedures. At the end of federal fiscal year 2005, New Mexico must submit a self-certification form attesting that the state has met the minimum requirements.

Ms. Shannon stated the Office of Emergency Management (OEM) in the Department of Public Safety (DPS) does not prepare after-action reports after each state and federal disaster. After-action plans identify weaknesses and successes noted during disasters. Local emergency plans for the most part have

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not been updated regularly. OEM does not update the New Mexico hazard mitigation plan regularly. The state could lose federal hazard mitigation grant funding if they do not update the hazard mitigation plan. FEMA takes one to two years to review the local jurisdictions' hazard mitigation plans. Local jurisdictions that do not have FEMA-approved hazard mitigation plan or have not participated in multi-jurisdictional hazard mitigation plan may not be eligible for federal hazard mitigation grant funding.

Ms. Shannon reported that the training management system database is not reliable. OEM does not analyze data to ensure that OEM staff and local jurisdictions have received adequate training. Training is based on requests from local jurisdictions, not based on goals identified in strategies. Local jurisdictions' multi-year exercise plans are not analyzed to ensure that the jurisdictions have received at least one exercise a year.

Ms. Shannon stated the U.S. Department of Homeland Security reports reported that most states lack of communication between border counties and the federal government on border security. The Department of Finance and Administration (DFA) is responsible for the Enhanced-911 function. OEM has not coordinated with DFA to ensure statewide interoperability capability. However, OEM has hired a project manager recently to assess statewide communication inventory.

Susan Fleischmann, performance auditor, LFC, stated OEM has expended \$57 million since 2003. Complete financial data was not available from OEM. Communications between the DPS Administrative Services Division and OEM grant staff appear to be strained. With their day-to-day responsibilities, OEM staff is responsible for operating emergency operations center during emergencies.

Ms. Fleischmann reported that the state uses general fund for emergency disasters through executive orders. The majority of executive orders for emergencies went towards floods. State law is unclear on the definitions of disasters or emergencies. Some water hauling emergencies have gone on for five years. The National Guard under the emergency declarations has been hauling water to three New Mexico communities. Some executive orders are used for mitigation purposes, and auditors recommend that the Legislature may consider establishing a statewide hazard mitigation program.

Ms. Fleishmann stated OEM has grown 58 percent in staff and the current vacancy rate is 16 percent. On new positions the turnover rate is 61 percent. OEM may be short in funding to fill all vacant positions. Audit questions the need for new positions when there are vacancies. The two top management positions in OEM have been vacant for 20 months. OEM and the LFC are in agreement in rewording or replacing performance measures in the General Appropriation Act.

Timothy Manning, director, Homeland Security, reported the streamlining the Governor's Office of Homeland Security and OEM. Mr. Manning reported that LFC staff spent 436 hours in OEM and it cost OEM \$14,000. Mr. Manning concurred with the majority of the audit findings. Mr. Manning stated that table shows total executive orders issued but often not all that money is expended. Mr. Manning reported that the emergency plan was updated in 2004 and approved by him under the authority given to him but not signed by the governor. OEM applied for funding from FEMA to update the New Mexico hazard mitigation plan, but FEMA denied the funding. Mr. Manning stated that they have not monitored the evacuation planning of schools due to it being the responsibility of the fire marshals. Mr. Manning reported recently OEM has developed 13 strategic priorities in five core areas.

Representative Varela asked whether Homeland Security is in statute or otherwise. Mr. Manning stated that Louisiana recently put Homeland Security in statute attached to the Governor's Office.

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Representative Varela asked what happened with the proposed legislation on creating an agency of Homeland Security in the 2006 session. Mr. Manning stated that he is looking for legislative support to reintroduce the bill in 2007. Representative Varela proposed that the bill be reintroduced with an appropriation attached in the budget recommendation. Representative Varela asked DFA analyst Stuart Hamilton on the executive stance on the issues regarding Homeland Security. Representative Varela asked if there is a documented Homeland Security plan and Hamilton stated one does exist. Representative Varela asked if the bill proposed in 2006 is acceptable to the executive and Manning stated it was supported by the executive.

Responding to Representative Larranaga, Mr. Manning stated there was a bill introduced in the 2006 legislative session that would have resolved statutory issues that existed in HB219 from the 2005 legislative session. Representative Larranaga expressed concern with OEM's working relationship with local entities. Mr. Manning stated he believes OEM has a strong relationship with the local level.

Representative Wallace stated that the executive orders for emergencies do not specify where the spending is going. Representative Wallace expressed concern that the money could be used to cover budget shortfalls.

Department of Public Safety: Implementation of Personnel Audit and Salary Increase and Changes to Quarterly Report

John Denko, secretary, Department of Public Safety, directed the committee to a packet supplied by the department containing information on follow-up on 2005 management audit, compensation package for FY07, and performance measure report card.

Faron Segotta, chief of the State Police and deputy secretary for operations, DPS, , expressed appreciation for the compensation increase for FY07 and reported it has increased morale for the commissioned officers. The State Police will be starting a new academy with 42 cadets and the quality of applicants has improved. Twenty former state police officers have asked to come back to the department. Motor Transportation Division (MTD) and Special Investigation Division (SID) have reported improvement in the quality of applicants. Recruitment and retention efforts include a guaranteed station for cadets. If there are vacant positions in the communities in which they come from the cadets will be placed back in those communities. An incentive of administrative leave has been offered to employees when an applicant is referred to the department and successfully completes the academy. Chief Segotta reported the Albuquerque Police Department is reducing the PERA contribution of their officers. Individuals with prior law enforcement experience will be placed appropriately within the State Police pay system. Currently, the department is updating the market survey to ensure the department is competitive with other agencies and is looking at a 25 year enhanced retirement for MTD and SID commissioned officers.

Chief Segotta reported on the Law Enforcement Program's key quarterly measures regarding the new report card on performance measures. Chief Segotta reported the 10 percent increase in DWI arrests is an unachievable performance measures. Roxanna Knight, deputy secretary of administration, Department of Public Safety, reported on the key quarterly measures for the Public Safety Support Program.

Representative Whitaker asked what percentage of the 42 cadets starting will graduate the academy. Chief Segotta stated historically the graduation rate has been around 70 percent. However, Chief Segotta said he believes the number in the future will be closer to 80 percent due to the quality of the applicant and

extending the time of the academy, allowing for more down time for the cadets. Representative Whitaker congratulated the department on their achievements on addressing DWI.

Senator Altamirano asked where the DWI statistics come from. Chief Segotta reported that the DWI statistics are from data recorded internally by the department.

Representative Varela addressed the attorney general response to the MTD authority under statute. Secretary Denko stated as commissioned officers they can take the necessary measures; however, their main responsibility is to enforce the Motor Carrier Act. Representative Varela asked who the acting director of MTD was currently. Secretary Denko stated it is Mark Rowley. Representative Varela asked how the compensation has addressed parity within DPS. Secretary Denko stated the market analysis was used to bring MTD up to be more comparable. SID received the highest pay increase, followed by MTD and State Police. Chief Segotta stated that there will need to be more movement to bring SID and MTD into alignment with State Police. Currently, the disparity between State Police and MTD/SID is about 10 percent. Representative Varela asked why SID/MTD officers under SPO could not be exempted. Sandy Perez, secretary of the State Personnel Office, stated that it has been looked at and could be done. Ms. Knight stated that even though full funding was not received to implement the pay plan, the department is committed to a full implementation of the pay plan. Representative Varela asked that the shortfall be addressed in the budget request.

Senator Beffort asked whether it has been communicated to MTD that it is authorized by the department to enforce the Controlled Substances Act and Criminal Code. Secretary Denko states that MTD officers have been directed that if required they have the authority to take the action they need to take.

Senator Smith acknowledged the capital outlay request by the department for new State Police district offices for Las Vegas and Las Cruces. Senator Smith stated he hoped the department would pursue the capital outlay for FY08 along with funding for a permanent port of entry in Lordsburg.

Senator Rawson asked about the status of a permanent Santa Theresa port of entry. Captain Ron Cordova stated additional infrastructure will be needed. Ms. Knight stated that the Santa Theresa port of entry is sixth on the department's capital outlay list of priorities. Senator Rawson stated the department needs to include vehicles in the department's operating budget and not in its capital outlay budget. Senator Rawson asked about capital outlay for the southern crime lab. Secretary Denko stated that the core lab in Santa Fe has needs that would need to be addressed first. Ms. Knight stated the crime lab is the department's second priority regarding capital outlay.

Temporary Assistance for Needy Families Program and Workforce Development System Integration

Charles Sallee, performance auditor, LFC, discussed major findings and recommendations from the staff report on the New Mexico Works program, also called Temporary Assistance for Needy Families (TANF), and the workforce development system. Mr. Sallee noted that recipients work but remain on welfare, have little advancement opportunities, and remain in poverty; that access to workforce development services through one-stop centers is lacking; and that the New Mexico Works program lacks outcome measures needed to track program successes. Mr. Sallee also noted policies governing welfare grants, child support, and child-care assistance need changes to better support families' efforts at leaving welfare for work.

Mr. Sallee reported that fragmented administrative authority and accountability over the state's job employment and training programs may impede further progress at setting up one-stop career centers and meeting the needs of New Mexico's employers and job seekers. Mr. Sallee recommended that the Legislature study creating a new single workforce development department during the 2007 interim.

Pamela Hyde, secretary, Human Services Department, discussed recent federal changes to the rules and regulations of the TANF program that will go in to effect on October 31, 2006, and she stressed the necessity for determining New Mexico's role in administering and funding the program. Secretary Hyde then explained how specific federal changes to the rules and regulation of the TANF program affect eligibility for New Mexico residents and emphasized how these changes will affect how the programs is funded on both a state and federal level. Lastly, Secretary Hyde suggested that more research be done on families who leave the TANF program to better understand the effectiveness of the program.

Len Malry, executive director, Office of Workforce Training and Development (OWTD), gave a brief overview of the office and discussed the opportunity to integrate the programs and services offered by the OWTD due to the current economic prosperity of the state.

Danny Sandoval, deputy secretary, Children, Youth and Families Department (CYFD), agreed with the recommendation to report on families' use of child-care assistance after leaving welfare. Mr. Sandoval also agreed that child-care-assistance-eligibility staff from CYFD should co-locate at one-stop career centers, though he cautioned that co-location presented logistical challenges related to staffing and technology.

Representative Whitaker asked Mr. Sallee how OWTD programs prepare participants for occupations in demand in New Mexico and asked if there was documentation of occupations that were in demand in New Mexico. Mr. Sallee explained that occupation training is determined by regional local workforce boards based on the industries that need workers in that particular region and specifically noted an emphasis on construction and medical training. Mr. Malry indicated his office would provide a list of occupations in demand by employers to Representative Whitaker.

Senator Beffort asked Secretary Hyde whether drug testing was a component in determining eligibility for TANF. Secretary Hyde responded that there was no drug testing in the TANF program. Senator Beffort further inquired if there was a drug rehabilitation program in TANF, because substance abuse could often preclude a person from finding or retaining a job. Secretary Hyde explained that this was available through TANF's support service contract for substance abuse treatment, but that substance abuse was a larger issue than just TANF.

Secretary Hyde, in response to Senator Jennings, explained that minimum educational requirements, such as attending four years of high school, were not mandated under federal TANF rules; therefore, such a stipulation could not be applied to federal TANF funds. However, Secretary Hyde explained that the state Legislature could set such regulations for state TANF funds. Senator Jennings also expressed his concern that people eligible for many social programs had such low income that they lacked access to transportation and communications equipment, which made it difficult to participate in such programs.

Secretary Hyde, in response to Representative Varela, reported that New Mexico State University (NMSU) currently administers the contract for the TANF employment services in the southwest region and would be acquiring the central region, totaling roughly \$6 million. Representative Varela requested a report documenting how many of the current programs employees will transfer to NMSU with the

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contract change in the central region. Secretary Hyde explained that all participants selected by NMSU would be subject to NMSU's retirement and benefits program, and these employees would need to address their individual options with the Public Employee Retirement Association and the Educational Retirement Board. Secretary Hyde explained that NMSU was chosen for the new contract because it was the only state agency meeting federally required performance measures. Representative Varela requested that TANF provide a report explaining how employees will be affected by transferring the contract to NMSU.

Representative Varela requested future discussion about CYFD's involvement in the state pre-kindergarten program. Senator Beffort further emphasized Representative Varela's concern and asked the committee to discuss how the pre-kindergarten program is affecting daycare and early education centers throughout the state. Mr. Sandoval responded that he and CYFD believe private childcare and the state pre-kindergarten program can coexist. Representative Varela requested a report about the success of independent school districts that have implemented a pre-kindergarten program.

Office of Workforce Training and Development (OWTD) Quarterly Performance Report

Len Malry, director, Office of Workforce Training and Development (OWTD) discussed some of the progress being made.

David Abbey, director, LFC stated that he believes the agencies have been receptive to the green-yellow-red performance measures.

David Lucero, analyst, LFC, stated that OWTD's outcomes are skewed due to data errors in the VOSS database. The VOSS database recently was upgraded to version 7.0. During the upgrade 18,000 errors were identified and corrected. Among the error identified were numerous inactive case files that should have been dropped from the active case file pool. When the dormant cases were deleted, the performance outcomes dropped.

MISCELLANEOUS BUSINESS

Approval of LFC Contracts

Representative moved to approve the contract for the UNM economic forecasting. Representative Salazar seconded the motion, and it passed with no objection.

Approval of LFC Minutes - May 2006

Senator Smith moved to approve the minutes from the June 2006 LFC meeting, Representative Larranaga seconded the motion, and it passed with no objection.

David Abbey, LFC director, discussed the following information items: BARs, LFC Budget Status, Status of Audit Work Plan and Cash Balance Report.

Pancho Villa State Park

Bobby Griego, performance auditor, LFC, reported on the governor's colonias initiative. The U.S. Department of Housing and Urban Development (HUD) defines a "colonia" as a rural community within 150 miles of the U.S.-Mexican border that lacks basic infrastructure and services such as sewers, running water, schools and community facilities. Major issues for colonias are access to potable water, flooding, and road access for schools and emergency vehicles.

HUD has designated over 130 colonias within the state. There are 40 colonias within Doña Ana County alone, totaling 40,000 residents.

In 2005, \$5 million was appropriated to the Local Government Division (LGD), Department of Finance and Administration (DFA), for colonias improvements in Doña Ana County because the county had an existing colonias plan and was cooperating with HUD. Colonias communities sign formal agreements with specific deliverables, such as a bi-annual report describing the progress and any problems encountered. LGD and Doña Ana County indicated all 2005 colonias projects will be completed by December 2006.

In 2006, another \$5 million was appropriated for allocation by LGD for statewide colonias infrastructure improvements. LGD developed a formal application process for the 2006 colonias funds. Information was disseminated to counties and they submitted a funding request that covered their need, details of their plans, ability to leverage other funds and completion timelines.

Another \$900 thousand was reauthorized and allocated to colonias initiatives from the New Mexico Environment Department (NMED), bringing the total colonias initiative fund to \$5.9 million in 2006.

LGD reports that they have leveraged state funds with other funding sources to total \$26.8 million.

The committee then toured Pancho Villa State Park and museum.

New Mexico Border Issues: Border Authority Overview on Border Issues; Border Patrol a Federal Perspective on Border Security; and Local Perspective on Challenges to Border Communities

Jamie Campos, executive director, New Mexico Border Authority, provided an update on New Mexico Border Authority (NMBA) activities. Mr. Campos reported that NMBA is working to acquire land to expand the port of entry and build a commercial truck bypass at Columbus and Las Palomas, Mexico. The federal expansion of the port is estimated at \$30 million and is expected to be completed in 2008. There is \$800 thousand in capital outlay money for the Columbus parking area and road improvements. The truck drop yard at the Santa Teresa port of entry will cost about \$2 million to build and should boost commercial traffic. The Border Authority is working to expand the hours of operation at Santa Teresa, which currently closes at 10 p.m.

Finally, Mr. Campos highlighted other meetings of the NMBA. The Border Security Taskforce is responding to the ranchers need for security by helping coordinate the activities of local, state, federal, and Mexican security operations. The Port Advisory Committee meets to review activities along the border and has been active in working to move chile trucks through the port more quickly.

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Gen. Kenny Montoya, New Mexico Department of Military Affairs, reported to the committee that the National Guard's mission on the border is to support the Border Patrol for the next two years. The mission includes Entry Identification Teams that will be the "eyes and ears" for the Border Patrol, aircraft support to track movement at night with infrared lights, and engineering support for structures to channel and control traffic.

According to General Montoya, about 50,000 illegal immigrants a year cross the New Mexico border. The National Guard members will be trained in Santa Fe for medical, weapons, and cultural awareness. Of the National Guard serving on the New Mexico border 50 percent will be New Mexicans and 50 percent will be guard members from other states, including Georgia, Arkansas, North Carolina, New Jersey, and West Virginia.

General Montoya stated that currently 400 New Mexico National Guard members are in combat areas around the world, and in the last three years 3,500 New Mexico National Guard members have been deployed. In five months all but five New Mexico National Guard members will return home.

In response to Chairman Varela, General Montoya stated that he has complete authority over the National Guard members from other states while serving in New Mexico. He reported 100 to 180 soldiers were at Playas. Also, talks are occurring with the City of Deming to lease land to build temporary structures. Once the mission is complete, he would like the temporary structures to be available for the military and communities. More permanent structures would be built at the Santa Teresa port for recruitment purposes.

Chairman Varela asked if new federal laws would change the National Guard's mission and lead to early dismantling of the National Guard on the border. General Montoya stated he is committed for the next two years to help the Border Patrol build up their numbers. The worst case scenario would be a force reduction of 50 percent in a year. It is estimated the National Guard will have 200 in Las Cruces, 200 in Deming, 120 in Santa Teresa and 38-50 in Alamogordo.

In response to Representative Taylor, General Montoya reported that border states are cooperating well on the mission.

Responding to Senator Beffort, General Montoya informed the committee that troops from other states want to come to New Mexico. Three times as many guard members are going to Arizona, and Texas and California have enough of their own troops. The ultimate number of soldiers will be based on need for completing the mission.

Senator Jennings asked if planning for buildings is being coordinated with existing armories. General Montoya stated that the temporary base on state land will be returned to the state and National Guard. Senator Jennings encouraged the National Guard to coordinate with schools if families are coming to New Mexico with the deployed members.

C. L. McClafferty, assistant patrol agent in charge, Deming Station, U.S. Border Patrol, said there are 191 border patrol agents at the Deming station and 37 in the academy. Seven sites with 14 cameras monitor more than 20 miles of the border. The Border Patrol plans to increase the number of agents in New Mexico to 475. An estimated 180,000 applicants are needed to hire the planned additional 6,000 border patrol agents. The Deming corridor is third on the federal priority list. Border Patrol has arrested 39 smugglers so far in 2006. The Deming station is up 17 percent in apprehensions and a significant drop in

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traffic has occurred in the past two months. The Border Patrol views immigration as a political issue and the mission of the Border Patrol focuses on securing the border. Out of the illegal immigrants crossing the border, 100,000 have a criminal history and 6,000 have been prosecuted for a violent crime. The challenges faced by the Border Patrol are infrastructure on south side attracts smugglers, mountainous terrain, and the number of agents.

Captain Eddie Flores, commander, District 12, State Police, stated the mission of the State Police is to better respond to border communities, not to police the border. To date the State Police has expended \$580 thousand of the funding through the governor's emergency declaration on border security. The money was used for per diem, mileage, and overtime. The State Police has turned over 1,342 illegal immigrants to the Border Patrol. State Police officers from other districts are stationed in the Deming district in five-day increments to patrol the border. Since August 2005, 170 offenses have been reported.

Deming Mayor Andres Silva reported that Columbus and Deming are experiencing an economic boom from the homeland security activities along the border; yet even Columbus has little access to potable water.

In response to Representative Taylor, Mr. McClafferty reported that the Border Patrol is planning for shifts in border traffic. Criminal organizations are very violent in Arizona, but that is not so much the case in New Mexico.

In response to Representative Larrañaga, Mr. McClafferty reported a good relationship with Chihuahua officials. The Border Patrol only apprehends individuals that actually cross the border. After the arrest the individual is documented in the national fingerprint database. If there is no criminal history there is a voluntary return. If there is a criminal history documents are prepared for deportation and warrants. The majority of drugs are backpacked across the border.

In response to Chairman Varela, Captain Flores reported that security agencies are collaborating. Captain Flores reported there is a Motor Transportation Division (MTD) officer that participates in the patrol of the border and the officer has the right to arrest. Mr. Campos reported that letters have gone to the federal government regarding the establishment of a port of entry at Anapra, but it is impossible to come up with a time frame for the opening of a new port.

Senator Altamirano asked if a well could be drilled to address the potable water issue for Columbus. Councilor Gutierrez discussed a proposed well 50 miles north of Columbus. It is an expensive but good alternative to osmosis water treatment.

In response to Representative Dona Irwin, Agent McClafferty reported than less than 10 percent of illegal immigrants are of nationalities other than Mexican. Mr. Campos stated many signs directing Mexican traffic to Columbus are missing.

In response to Senator Smith, Agent McClafferty reported that the Border Patrol expansion should be completed by FY08.

Representative Saavedra expressed concern over border security in relation to the state homeland security. Deputy Chief Bertram stated the State Police has assigned a captain to the Director of Homeland Security's office to access funding. Training missions with State Police has occurred with Border Patrol and the National Guard.

Community Input/Open Forum

The committee closed the hearing and turned to public comment. Craig Newbill, executive director of the New Mexico Humanities Council, informed the committee of the traveling Smithsonian exhibited located at Pancho Villa State Park and thanked the committee for supporting funding for their organization through the Department of Cultural Affairs.

The committee went into executive session and adjourned.

J. Paul Taylor Center Tour: Juvenile Justice Status & Review Follow up

Dorian Dodson, interim secretary, Children, Youth and Families Department (CYFD), discussed some of the recent changes in CYFD. Ms. Dodson emphasized that the department will focus on efficiently using its resources and pledged to increase the department's transparency while maintaining confidentiality.

Ms. Dodson noted the department's strengths and recent accomplishments:

- A workforce that understands its role in the program and effectively manages its challenges,
- An increase in the number of participants receiving child care,
- Implementation of the pre-K program and mental health programs,
- Meeting the goals of the performance plan for children in protective services custody,
- Implementing tele-help in 28 sites.

Ms. Dodson noted the following weaknesses of the department:

- Challenges in internal communication between managers and employees,
- Recruiting and retaining foster parents,
- Integrating domestic violence services into program,
- Addressing minority misrepresentation in system.

Ms. Dodson addressed two primary initiatives of the program: childcare and the closure of the Springer facility.

Area 1 of the Springer facility will house 20 juveniles aged 18 to 21 who have completed their GED. Currently there is no facility in the state designated specifically for this age demographic. Employees have been hired to meet the counseling and educational needs of the inmates, as well as managerial personnel to oversee operations.

Representative Saavedra asked for a clarification on the activities of the Springer facility and Area 1. Ms. Dodson explained that on January 1, the state Correction Department will take over the Springer facility; however, the Area 1 facility is on a separate campus and will be retained by CYFD. Instead of one boys' school operated by CYFD, there will be two separate campuses: the old main campus will be operated by NMCD as a low-risk adult facility and the Area 1 will be operated by CYFD as a juvenile facility. Ms. Dodson estimated that 80 percent of the staff at the current Springer facility is successfully transitioning, through the help of the State Personnel Office, to their respective new positions in the Department of Corrections facility.

David Lucero, analyst, LFC, explained the Sierra Blanca facility is transitioning from a probation and step-down facility to a facility for low-risk detention juveniles. Mr. Lucero explained that county

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detention centers will be used to house higher-risk juvenile inmates. Mr. Lucero further stated that although capacity has been addressed, there is a lack staffing to accommodate the additional inmates. Mr. Lucero further commented that the state's trend toward numerous, small facilities throughout the state tracks with the national trend of fewer large facilities. Mr. Lucero noted smaller regional facilities allow juveniles to be placed near their respective families, which facilitates visitation and family involvement in the juvenile corrections process.

Representative Saavedra asked Ms. Dodson about the department's hiring practices and whether the most qualified employees were being hired. Ms. Dodson stated that she could not comment on past accusations on hiring problems but emphasized the department's use of an advanced screening process to find the best candidates. Representative Saavedra also emphasized the inequity of the pay system for correctional officers.

Senator Smith asked about the severity of background checks for employees transitioning from CYFD to NMCD, and if there was a possibility that some of CYFD's employees wouldn't pass the background check necessary to be hired by NMCD. Ms. Dodson explained the necessity for using the same background check in CYFD as those used by the Department of Corrections. Ms. Dodson said that some former CYFD employees were not accepted into the Department of Corrections, for reasons unrelated to physical fitness reasons, some of which included not passing a background check. Ms. Dodson said that those employees not accepted into the Department of Corrections would be placed with other state agencies. Ms. Dodson estimated 24 to 30 people will need to be placed.

Representative Whitaker asked about county involvement in the construction, hiring, operations, or funding of regional juvenile detention facilities. Ms. Dodson stated that local governments operate and fund juvenile detention centers, and CYFD monitors them.

Representative Larranaga asked about the financial success of community-based juvenile detention centers, in terms of reducing their financial liability on the state. Ms. Dodson stated that she did not have current financial figures with her and explained that the savings will be seen long-term, not immediately due to costs associated in the transition process. Representative Larranaga emphasized his concern about the high costs of the transition, and stated that he foresees the department will be requesting additional funding for the next 1 or 2 years. Ms. Dodson responded that her predecessor in the department did not foresee all of the costs that would be incurred when the transition was planned, and she further stated that the department places utmost priority in the most effective use of its resources.

Senator Rodriguez asked about the high turnover rates of CYFD corrections staff and the cost of providing training for employees who leave the position after a short time period. Mr. Lucero responded that although CYFD pays its juvenile corrections officers comparative to other such positions in the Department of Corrections and other county facilities, CYFD staff generally have more difficult work because of their close involvement with the juveniles in the facilities. Therefore, other corrections positions are considered to be easier.

Senator Beffort commented on the inadequacy of substance abuse rehabilitation programs, and emphasized the importance of their role in the program. Senator Beffort also commented about the lack of emphasis on vocational training in building trades and other such skills in the juvenile and adult corrections programs, for both male and female inmates. Senator Rawson also voiced his concerns about vocational training for individuals with drug and alcohol problems.

Representative Varela requested the panel to provide information for the transition of the Springer facility regarding economic development issues and promises made the greater Springer community. He asked that such information be provided prior to the August meeting in Las Vegas.

Children, Youth & Families Department - Quarterly Performance Report

Dorian Dodson, Interim Secretary, Children, Youth and Families Department (CYFD) reviewed the Quarterly Performance Report for CYFD, and explained her interpretation of the agency's marks in various key performance measures. Ms. Dodson expressed the agency's contentment with its performance in inmates successfully completing probation following incarceration, and expressed her desire to improve performance in areas such as nutrition, access to domestic violence programs, the number of foster parents in the program, and the percentage of children adopted within 24 months of entering the program.

Senator Smith asked Ms. Dodson to provide data regarding the pre-K program's effect on childcare providers in Santa Fe.

Chairman Varela adjourned the meeting at 11:40.

Chairman

Date

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