

AGENCY BILL ANALYSIS
2024 REGULAR SESSION

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SECTION I: GENERAL INFORMATION

Check all that apply:

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

Date Prepared: 2024-01-25
Bill No: SJR6

Sponsor(s) Gerald Ortiz y Pino
: Eleanor Chávez
Siah Correa Hemphill
Bill Tallman

Agency Name CYFD 69000
and Code
Number:

Person Writing Drew Roybal-Chavez
Analysis:

Short CYFD COMMISSION &
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
\$0	\$0		

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
\$0	\$0	\$0		

ESTIMATED ADDITIONAL OPERATION BUDGET (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$0	\$0	\$800K	\$800K	Recurring	General Fund

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation

Act:

SECTION III: NARRATIVE

BILL SUMMARY

This joint resolution will create the “children, youth and families commission”. This commission, in relation to the Children, Youth and Families Department shall each have powers and duties provided by law. This commission shall commence as of January 1, 2026, and will consist of three members. These members shall be respectively appointed by the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives. Commission members will be appointed for terms of six years, with the initial term to be appointed as follows: the member appointed by the Governor shall be for a two-year term, the member appointed by the Speaker of the House shall be for a four-year term, the member appointed by the President Pro Tempore shall be appointed for a six-year term.

Vacancies shall be filled by the original appointing authority, and that appointee shall serve out the remainder of the unexpired term. Members of the commission shall be removed as provided by law.

Professional qualifications for the members of the commission shall be established by the legislature.

The commission shall hire an executive director to oversee the Children, Youth and Families Department beginning July 1, 2026.

SJR 6 would also set that the proposed amendment be submitted to the people for their approval or rejection at the next general election or any special election prior to that date that may be called for that purpose.

FISCAL IMPLICATIONS

SJR6 does not appropriate any funding to the Children, Youth and Families Department (CYFD or Department) nor does it mention any appropriation that is necessary to accomplish the intent of the JR. There is no recent precedent to inform the financial impact on the Department associated with moving the Department outside of the Executive branch. Such a drastic move, however, would surely result in significant financial impacts for both the Department and the State.

Moreover, Title IV-E of the Social Security Act provides for partial federal reimbursement for

the cost of providing foster care, adoption assistance, and kinship guardianship assistance to children who meet federal eligibility criteria. Title IV-E also provides funds for related case management activities, training, data collection, and other costs of program administration. To be eligible to claim federal support under Title IV-E, New Mexico must have a Title IV-E Plan that is approved by the U.S. Department of Health and Human Services, Administration for Children and Families. The effect of moving an entire state-wide department to a commission, outside of the Executive financial infrastructure, presents a level of uncertainty with respect to continued use of federal funds outside of the current CYFD-specific approved plan. At the very least, there is a high possibility that this move will delay the provision of services to children.

Additionally, the resolution does not mention the salary for the Executive Director or if the commission members would be salaried employees. It is also not specified how many times the commission would meet. Based on this information, CYFD is estimating the projected costs should the executive director and commissioners be salaried staff, would be \$784 thousand for salaries and benefits.

Finally, there would be an enormous fiscal impact associated with rebranding the State's child welfare program, not just for marketing purposes, but, more importantly, to ensure that mandatory reporters and the public at large know how and to whom abuse and neglect reports can be made. Further, reestablishing the hundreds of contracts and other agreements, including Joint Power's Agreements, intergovernmental agreements, and intragovernmental agreements, would be required. The Website would need to be completely redesigned and all social media would have to be adjusted.

SIGNIFICANT ISSUES

The bill as written fails to clearly outline the expectations and duties of this commission. The only identified task for the commission to be responsible for is designating an Executive Director to oversee the newly established commission, which we believe is not enough information to warrant passage of this bill.

Removing CYFD from the Executive would isolate the department from potential collaboration opportunities thereby presenting roadblocks to the close partnerships with sister agencies the department maintains currently.

Further, while the language in SJR6 proposes an amendment to the state's constitution, it does not provide a pathway to rectifying the larger statutory issue this joint resolution creates. The establishment of the department through legislation in 1992 created the department's core structure by statute and this legal reality cannot be undone through a two-page joint resolution.

The possibility of upheaval on the leadership level could increase because this resolution fails to identify a leadership structure that will support all divisions. We believe this upheaval would have a trickle-down effect on employees who are seeking stability, potentially leading to an increased attrition rate in the critical, frontline workforce.

While the commission would not begin until January 1, 2026, we believe the department's capacity to provide services would be greatly diminished because the focus of CYFD would have

to shift to standing up the commission since SJR 6 does not provide answers to critical funding questions, a clear mission statement, a blueprint for logistics, or any metrics by which to measure the success of the commission's leadership.

Importantly, there is a six-month gap between when the commission assumes control and the deadline to hire an Executive Director. There is no indication who will direct the day-to-day operations vital to ensuring the safety and wellbeing of the State's most vulnerable populations.

PERFORMANCE IMPLICATIONS

While the commission would not begin until January 1, 2026, we believe the department's capacity to provide services would be greatly diminished because the focus of CYFD would have to shift to standing up the commission since SJR 6 does not provide answers to critical funding questions, a clear mission statement, a blueprint for logistics, or any metrics by which to measure the success of the commission's leadership.

ADMINISTRATIVE IMPLICATIONS

For the same reasons as stated above, this drastic measure would negatively impact, if not wholesale change, CYFD's current administrative procedures and processes.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

See above. The technical issues that must be addressed given the dearth of specific information regarding the structure of a new commission are myriad.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

CYFD will be allowed to continue on its current transformation path, creating accountability and consistency for staff and contractors.

AMENDMENTS

None.